

ORIGINAL

LAWRENCE V. ROBERTSON, JR.  
ATTORNEY AT LAW



0000174368

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Green Valley, Arizona 85622

NEW APPLICATION

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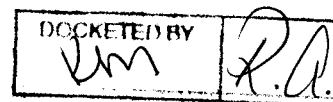
OF COUNSEL TO  
MUNGER CHADWICK, P.L.C.

ADMITTED TO PRACTICE IN:  
ARIZONA, COLORADO, MONTANA,  
NEVADA, TEXAS, WYOMING,  
DISTRICT OF COLUMBIA

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Arizona Corporation Commission  
DOCKETED

OCT 28 2016



Re: Red Rock Utilities LLC  
Docket No. WS-04245A-16-\_\_\_\_\_  
Application For A Certificate of Convenience and Necessity

WS-04245A-16-0392

TO WHOM IT MAY CONCERN:

Enclosed for filing are the original and thirteen (13) copies of the Application of Red Rock Utilities LLC for a Certificate of Convenience and Necessity to provide water service to and within the unincorporated areas of Pima County, Arizona described within the Application and supporting Appendices.

Thank you for your assistance in connection with this filing. Please let me know if you have any questions.

Sincerely,

*Lawrence V. Robertson, Jr.*

Lawrence V. Robertson, Jr.

cc: Red Rock Utilities LLC

RECEIVED  
AZ CORP COMMISSION  
DOCKET CONTROL  
2016 OCT 28 PM 1:37

## ARIZONA CORPORATION COMMISSION

### APPLICATION FOR AN EXTENSION CERTIFICATE OF CONVENIENCE AND NECESSITY

#### WATER AND/OR SEWER

A. The legal name, mailing address and telephone number of the Applicant (Company) is:

Red Rock Utilities, L.L.C.

2200 East River Road, Suite 115

Tucson, Arizona 85718

B. If the applicant operates under a "d.b.a." or under a name other than the Applicant (Company) name listed above, specify:

C. List the full name, mailing address and telephone number of the management contact:

Mark Weinberg, General Manager 2200 East River Road, Suite 115

Tucson, Arizona 85718 (520) 577-0200

D. List the full name, mailing address and telephone number of the attorney for the Applicant:

Lawrence V. Robertson, Jr. 210 W. Continental Rd. Ste 216A

Green Valley, Arizona 85622 (520) 398-0411

E. List the full name, mailing address and telephone number of the operator certified by the Arizona Department of Environmental Quality who is or will be working for the Applicant:

Chris Hill CWH2 Services, Inc. P. O. Box 70022

Tucson, Arizona 85737 (520) 904-0741

F. List the full name, mailing address and telephone number of the on-site manager of the utility:

Chris Hill      CWH2 Services, Inc.      P. O. Box 70022

Tucson, Arizona 85737      (520) 904-0741

G. The Applicant is a:

<u>N/A</u> Corporation: ____ "C", ____ "S", ____ Non-Profit ____ Arizona, ____ Foreign	<u>N/A</u> Partnership ____ Limited, ____ General ____ Arizona, ____ Foreign
<u>N/A</u> Sole Proprietorship	<u>X</u> Limited Liability Company (LLC)
<u>N/A</u> Other (Specify)	

H. If Applicant is a corporation:

1. List full names, titles and mailing addresses of all Officers and Directors:

**Officers**

N/A

**Directors**

N/A

2. Attach a copy of the corporation's "Certificate of Good Standing" issued by the Corporation's Division of the Arizona Corporation Commission. N/A
3. Attach a certified copy of the Articles of Incorporation. N/A
4. Attach a certified copy of the corporation's By-Laws. N/A
5. If a for-profit corporation, indicate the number of shares of stock authorized for issue: N/A
6. If stock has been issued, indicate the number of shares issued and date of issue:  
N/A

I. If the Applicant is a partnership: N/A

1. List the full name and mailing address of the general partners:

N/A

2. List the full name, address and telephone number of the managing partners:

N/A

3. Attach a copy of the Partnership's Articles of Partnership. N/A

• If the Applicant is a foreign limited partnership, provide a copy of the Partnership's "Certificate of Registration" filed with the Arizona Secretary of State.

N/A

J. If the Applicant is a Limited Liability Company:

1. List the full name and mailing address of all the Applicant's managers or, if management is reserved to the members, the Applicant's members:

Diamond Ventures, Inc. (Managing Member) 2200 E. River Road, Suite 115 Tucson, Arizona 85715

2. Attach a copy of the Articles of Organization.

See Appendix "1"

- K. List the legal name and mailing address of each other utility in which the applicant has an ownership interest:

N/A

- L. Provide a compliance status report from the Arizona Department of Environmental Quality ("ADEQ"), dated no more than 30 days of the CC&N extension application, for each water and wastewater systems as identified by a separate ADEQ Public Water & Wastewater System Identification number.

See Appendix "2." The attached compliance status report relates to Applicant's Pinal County service area operations. Applicant is not as yet providing water service in its existing Pima County service area.

Attach a legal description of the requested service area, expressed in terms of **CADASTRAL** (quarter section description) or **Metes and Bounds** survey. References to parcels and docket numbers will not be accepted.

See Appendix "3"

Attach a detailed map using the form provided as Attachment "B". Shade and outline the area requested. Also, indicate any other utility within the general area using different colors.

See Appendix "4"

- M. List the name of each county in which the requested extension area is located and a description of the area's location in relation to the closest municipality, which shall be named:

The requested extension area is within an unincorporated portion of Pima County, Arizona. The northern boundary of the requested CC&N water service area is contiguous with a southern municipal boundary of the City of Tucson. The western boundary of the 716 acre parcel in the requested CC&N area described in Appendix "3" and depicted in Appendix (4) is approximately 5 miles from the eastern municipal boundary of the Town of Sahuarita; and, the western boundary of the 180 acre parcel described on Appendix "3" and depicted on Appendix "4" is located approximately 4.3 miles from the eastern municipal boundary of the Town of Sahuarita. In this regard, see Appendix "5."

- N. Attach a complete description of the facilities proposed to be constructed, including a preliminary engineering report with specifications in sufficient detail to describe each water system and the principal components of each water system (e.g., source, storage, transmission lines, distribution lines, etc.) to allow verification of the estimated costs provided under R14-2-402 subsection (B)(5)(o) and verification that the requirements of the Commission and the Arizona Department of Environmental Quality can be met.

See Appendix "6" (Water System Master Plan prepared by WestLand Resources, Inc.)

- O. Provide the estimated total construction cost of the proposed offsite and onsite facilities, including documentation to support the estimates, and an explanation of how the construction will be financed, such as through debt, equity, advances in aid of construction,

contributions in aid of construction, or a combination thereof.

See Appendix "6" (Water System Master Plan) It is currently anticipated construction of facilities will be financed through a combination of advances in aid of construction, contributions in aid of construction and/or equity.

- P. Explain the method of financing utility facilities. Refer to the instructions, item no. 7. (Use additional sheets if necessary):

It is currently anticipated construction of facilities will be financed through a combination of advances in aid of construction, contributions in aid of construction and/or equity.

- Q. Attach financial information in a format similar to Attachment "C". Include current assets and liabilities, an income statement, estimated revenue and expenses and the estimated value of the applicant's utility plant in service for the first five years following approval of the application.

See Appendix "7"

- S. Provide a detailed description of the proposed construction timeline for facilities with estimated starting and completion dates and, if construction is to be phased, a description of each separate phase of construction.

See Appendix "6" (Water System Master Plan)

- T. Provide a copy of any requests for service from persons who own land within the proposed extension area, which shall identify the applicant by name.

See Appendix "8"

- U. Provide maps of the proposed extension area identifying:

1. The boundaries of the area, with the total acreage noted;
2. The land ownership boundaries within the area, with the acreage of each separately owned parcel within the area noted;
3. The owner of each parcel within the area;
4. Any municipality corporate limits that overlap with or are within five miles of the area;
5. The service area of any public service corporation, municipality, or district currently providing water or wastewater service within one mile of the area, with identification of the entity providing service and each type of service being provided; N/A
6. The location within the area of any known water service connections that are already being provided service by the applicant; N/A
7. The location of all proposed developments within the area;
8. The proposed location of each water system and the principal components described in R14-2-402 subsection (B) (5) (n); and
9. The location of all parcels for which a copy of a request for service has been submitted.

See Appendices "3," "4," "5," "6," "8" and "10" (collectively)

V. Provide a copy of each notice to be sent, as required, to a municipal manager or administrator  
See Appendix "9"

W. A copy of each notice sent, as required, to a landowner not requesting service. N/A

X. For each landowner not requesting service, provide either the written response received from the landowner or, if no written response was received, a description of the actions by the applicant to obtain a written response.

N/A

Y. Attach proposed Tariffs using either the water or sewer format of Attachment "D", unless the Utilities Division, prior to the filing of this application, approves another form.

See Appendix "10" Applicant proposed to use its existing rates and charges for water service, as approved by the Commission in Decision No. \_\_\_\_\_.

Attach the following permits (if any of these permits have not yet been obtained, please provide the status of their application):

1. The franchise from either the City or County for the area requested. See Appendix "11" (Pima County Public Utility License Agreement)

2. The Arizona Department of Environmental Quality (or its designee's) approval to construct facilities. N/A at this point in time

3. (SEWER ONLY) Copy of the Aquifer Protection Permit issued by ADEQ. N/A

4. The Arizona State Land Department approval. (If you are including any State land in your requested area this approval is needed.) N/A

5. Any U.S. Forest Service approval. (If you are including any U.S. Forest Service land in your requested area this approval is needed.) N/A

6. (WATER ONLY) If the area requested is within an Active Management Area, attach a copy of the utility's Designation of an Assured Water Supply, or the developer's Certificate of Assured Water Supply issued by the Arizona Department of Water Resources, whichever applies.

See response to Section KK

a. If the area requested is outside an Active Management Area, attach the developer's Adequacy Statement issued by the Arizona Department of Water Resources, if applied for by the developer. N/A

b. If the area requested is outside an Active Management Area and the developer does not obtain an Adequacy Statement, provide sufficient detail to prove that adequate water exists to provide water to the area requested. N/A

7. Provide a copy of your estimated property taxes. This may be obtained by contacting the Arizona Department of Revenue, Division of Property Valuation and Equalization. You must provide them with a five (5) year projection of the original cost of the plant, depreciation expense, the location of the property and the school district.

See Appendix "12"

- Z. Indicate the estimated number of customers, by class, to be served in each of the first five years of operation. Include documentation to support the estimates.

See Appendix "18"

**Residential:**

First Year\_\_\_\_\_ Second Year\_\_\_\_\_ Third Year\_\_\_\_\_ Fourth Year\_\_\_\_\_ Fifth Year\_\_\_\_\_

**Commercial:**

First Year\_\_\_\_\_ Second Year\_\_\_\_\_ Third Year\_\_\_\_\_ Fourth Year\_\_\_\_\_ Fifth Year\_\_\_\_\_

**Industrial:**

First Year\_\_\_\_\_ Second Year\_\_\_\_\_ Third Year\_\_\_\_\_ Fourth Year\_\_\_\_\_ Fifth Year\_\_\_\_\_

**Irrigation:**

First Year\_\_\_\_\_ Second Year\_\_\_\_\_ Third Year\_\_\_\_\_ Fourth Year\_\_\_\_\_ Fifth Year\_\_\_\_\_

- AA. Indicate the projected annual water consumption or sewerage treatment, in gallons, for each of the customer classes for each of the first five years of operation

See Appendix "18"

**Residential:**

First Year \_\_\_\_\_  
Second Year \_\_\_\_\_  
Third Year \_\_\_\_\_  
Fourth Year \_\_\_\_\_  
Fifth Year \_\_\_\_\_

**Industrial:**

First Year \_\_\_\_\_  
Second Year \_\_\_\_\_  
Third Year \_\_\_\_\_  
Fourth Year \_\_\_\_\_  
Fifth Year \_\_\_\_\_

**Commercial:**

First Year \_\_\_\_\_  
Second Year \_\_\_\_\_  
Third Year \_\_\_\_\_  
Fourth Year \_\_\_\_\_  
Fifth Year \_\_\_\_\_

**Irrigation:**

First Year \_\_\_\_\_  
Second Year \_\_\_\_\_  
Third Year \_\_\_\_\_  
Fourth Year \_\_\_\_\_  
Fifth Year \_\_\_\_\_

- BB. Indicate the total estimated annual operating revenue for each of the first five years of operation:

See Appendix "18"



**Residential:**

First Year \_\_\_\_\_  
 Second Year \_\_\_\_\_  
 Third Year \_\_\_\_\_  
 Fourth Year \_\_\_\_\_  
 Fifth Year \_\_\_\_\_

**Industrial:**

First Year \_\_\_\_\_  
 Second Year \_\_\_\_\_  
 Third Year \_\_\_\_\_  
 Fourth Year \_\_\_\_\_  
 Fifth Year \_\_\_\_\_

**Commercial:**

First Year \_\_\_\_\_  
 Second Year \_\_\_\_\_  
 Third Year \_\_\_\_\_  
 Fourth Year \_\_\_\_\_  
 Fifth Year \_\_\_\_\_

**Irrigation:**

First Year \_\_\_\_\_  
 Second Year \_\_\_\_\_  
 Third Year \_\_\_\_\_  
 Fourth Year \_\_\_\_\_  
 Fifth Year \_\_\_\_\_

CC. Indicate the total estimated annual operating expenses for each of the first five years of operation:

See Appendix "18"

**Residential:**

First Year \_\_\_\_\_  
 Second Year \_\_\_\_\_  
 Third Year \_\_\_\_\_  
 Fourth Year \_\_\_\_\_  
 Fifth Year \_\_\_\_\_

**Industrial:**

First Year \_\_\_\_\_  
 Second Year \_\_\_\_\_  
 Third Year \_\_\_\_\_  
 Fourth Year \_\_\_\_\_  
 Fifth Year \_\_\_\_\_

**Commercial:**

First Year \_\_\_\_\_  
 Second Year \_\_\_\_\_  
 Third Year \_\_\_\_\_  
 Fourth Year \_\_\_\_\_  
 Fifth Year \_\_\_\_\_

**Irrigation:**

First Year \_\_\_\_\_  
 Second Year \_\_\_\_\_  
 Third Year \_\_\_\_\_  
 Fourth Year \_\_\_\_\_  
 Fifth Year \_\_\_\_\_

DD. Attach an itemized list of the major components of the water or sewer system (see Attachment C-3). See Appendix "6" (Water System Master Plan)

EE. Indicate the total estimated cost to construct utility facilities: \$9,520,000, based upon Appendix "6" (Water System Master Plan)

FF. Provide a description of how water and/or wastewater service is to be provided in the proposed extension area and the name of each water and wastewater service provider for the area, if any.

Water service will be provided by Red Rock Utilities, L.L.C.; wastewater service will be provided by Pima County Wastewater Reclamation.

GG. Provide a letter from each wastewater service provider identified under subsection (B)(5)(aa), confirming the provision of wastewater service for the proposed service area or extension area.

See Appendix "13"

HH. Provide plans for or a description of water conservation measures to be implemented in the proposed service area or extension area, including, at a minimum:

- i. A description of the information about water conservation or water saving measures that the utility will provide to the public and its customers;
- ii. A description of how the applicant will work with each wastewater service provider identified under subsection (B)(5)(aa) to encourage water conservation;
- iii. A description of the sources of water that will be used to supply parks, recreation areas, golf courses, greenbelts, ornamental lakes, and other aesthetic water features;
- iv. A description of any plans for the use of reclaimed water;
- v. A description of any plans for the use of recharge facilities;
- vi. A description of any plans for the use of surface water; and
- vii. A description of any other plans or programs to promote water conservation;

See Appendix "14" Red Rock Utilities LLC proposes the same Best Management Practices as approved for its Pinal County service area in Decision No. 75613.

II. Provide a backflow prevention tariff that complies with Commission standards, if not already on file.

See Appendix "15"

JJ. Provide a curtailment tariff that complies with Commission standards, if not already on file.

See Appendix "16"

KK. Provide a copy of a Physical Availability Determination, Analysis of Adequate Water Supply, or Analysis of Assured Water Supply issued by the Arizona Department of Water Resources for the proposed service area or extension area or, if not yet obtained, the status of the application for such approval:

See Appendix "17"

  
(Signature of Authorized Representative)

Mark Weinberg

(Type or Print Name Here)

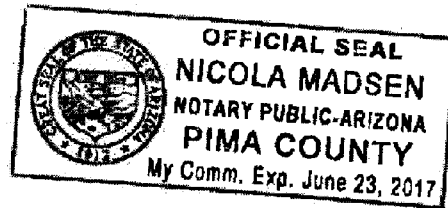
General Manager

(Title)

SUBSCRIBED AND SWORN to before me this 26th day of OCTOBER, 2016

Nicola Madsen  
NOTARY PUBLIC

My Commission Expires JUNE 23, 2017



# Appendix “1”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_

APR 5 2005

ARTICLES OF AMENDMENT TO THE  
ARTICLES OF ORGANIZATION OF  
RED ROCK UTILITIES, LLC

APPR.  
TERM  
DATE

*James Pacheco*

*4-5-05*

*L-1039865-0*

Pursuant to §29-633, Arizona Revised Statutes, Red Rock Utilities, LLC, an Arizona limited liability company, adopts these Articles of Amendment to its Articles of Organization.

1. Name. The name of the limited liability company is Red Rock Utilities, LLC.

2. Initial Filing Date. The initial Articles of Organization were filed on July 31, 2002 (File No. L-1039865-0).

3. Amendment. Section 5 of the Articles of Organization is hereby amended in its entirety to read as follows:

5. Management. Management of the limited liability company is vested in a designated manager whose name and address is Diamond Ventures, Inc., 2200 East River Road, Suite 115, Tucson, Arizona 85718. The names and addresses of the members who own a twenty percent or greater interest in the capital or profits of the limited liability company are Diamond Ventures, Inc., 2200 East River Road, Suite 115, Tucson, Arizona 85718; Diamond Equity Pool VI, L.L.C., 2200 East River Road, Suite 115, Tucson, Arizona 85718; and Donald R. Diamond, as Trustee of the DVI-2003 Irrevocable Trust, 2200 East River Road, Suite 115, Tucson, Arizona 85718.

Dated: *March 30*, 2005.

Red Rock Utilities, LLC,  
an Arizona limited liability company

By: Diamond Ventures, Inc.,  
an Arizona corporation

Its: Manager/Member

By: *[Signature]*

Name: *Cliff Vandewater*

Its: *VICE PRESIDENT*

AZ CORP COMMISSION  
FOR THE STATE OF AZ  
FILED

2002 JUL 31 P 4 35

APPR. *Land Rock*

DATE APP. 7-31-2002

TERM \_\_\_\_\_

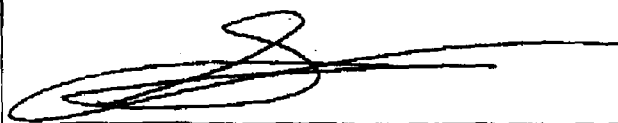
DATE \_\_\_\_\_ Utilities, LLC.

EXP-000000

ARTICLES OF ORGANIZATION  
OF  
RED ROCK UTILITIES, LLC

1. Name. The name of the limited liability company is Red Rock Utilities, LLC.
2. Registered Office. The address of the registered office of the limited liability company is 2200 East River Road, Suite 115, Tucson, Arizona 85718.
3. Statutory Agent. The name and address of the initial statutory agent is L and R Service Co., One South Church Avenue, Suite 700, Tucson, Arizona 85701.
4. Duration. The duration of the limited liability company shall be perpetual.
5. Management. Management of the limited liability company is reserved to the sole member. The name and address of the sole member is: Diamond Ventures, Inc., 2200 East River Road, Suite 115, Tucson, Arizona 85718.


Dated: July 31, 2002.

  
Gabriel Beckmann

ACCEPTANCE OF APPOINTMENT  
BY STATUTORY AGENT

The undersigned acknowledges and accepts the appointment as statutory agent of the above-named limited liability company effective July 31, 2002.

L and R Service Co.,  
an Arizona corporation

By:   
Kimberly Cady  
Assistant Secretary  
One South Church Avenue, Suite 700  
Tucson, Arizona 85701

# Appendix “2”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_

**A Compliance Status Report was requested from the Arizona Department of Environmental Quality (“ADEQ”) on October 26<sup>th</sup>, 2016, and will be filed in the docket established for this Application immediately following receipt of the same from ADEQ.**



# Appendix “3”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_

### **APPENDIX 3**

#### **L. LEGAL DESCRIPTION**

##### **PARCEL 1**

Lot 4 and the Southwest Quarter of the Northwest Quarter of Section 3, Township 17 South, Range 15 East, Gila and Salt River Meridian, Pima County, Arizona.

Section 4, Township 17 South, Range 15 East, Gila and Salt River Meridian, Pima County, Arizona;  
EXCEPT the South half of the South half AND the South half of the North half of the South half thereof.

The South half of the South half AND the South half of the North half of the South half of Section 4, Township 17 South, Range 15 East, Gila and Salt River and Meridian, Pima County, Arizona.

Lot 4 and the Southwest Quarter of the Northwest Quarter of Section 5, Township 17 South, Range 15 East, Gila and Salt River Meridian, Pima County, Arizona.

Lot 11 and the East half of the East half of the Southeast Quarter of the Northeast Quarter of Section 6, Township 17 South, Range 15 East, Gila and Salt River Meridian, Pima County, Arizona

##### **PARCEL 2**

The Southeast Quarter of the Northwest Quarter; AND the West Half of the West Half of the Southwest Quarter of the Northeast Quarter; AND Government Lot 2, EXCEPT the East 990 feet thereof, all in Section 6, Township 17 South, Range 15 East of the Gila and Salt River Meridian, Pima County, Arizona.

The North Half of the Southeast Quarter of Section 6, Township 17 South, Range 15 East of the Gila and Salt River Meridian, Pima County, Arizona. Except that portion described as follows:

Beginning at the General Land Office Brass Capped Pipe monumenting the east one-quarter of said Section 6, from which the northeast corner of said Section 6 bears North 00 degrees 02 minutes 22 seconds West, 2081.93 feet distant;

Thence South 00 degrees 02 minutes 46 seconds East, upon the easterly line of said Section 6 a distance of 329.77 feet;

Thence South 89 degrees 58 minutes 17 seconds West, parallel to the north line of the said Northeast Quarter of the Southeast Quarter, a distance of 1320.94 feet to the westerly line of the said Northeast Quarter of the Southeast Quarter;

### **APPENDIX 3**

#### **L. LEGAL DESCRIPTION (continued)**

##### **PARCEL 2 (continued)**

Thence North 00 degrees 03 minutes 00 seconds West, upon said westerly line, a distance of 329.77 feet to the northwesterly corner of the said Northeast Quarter of the Southeast Quarter;

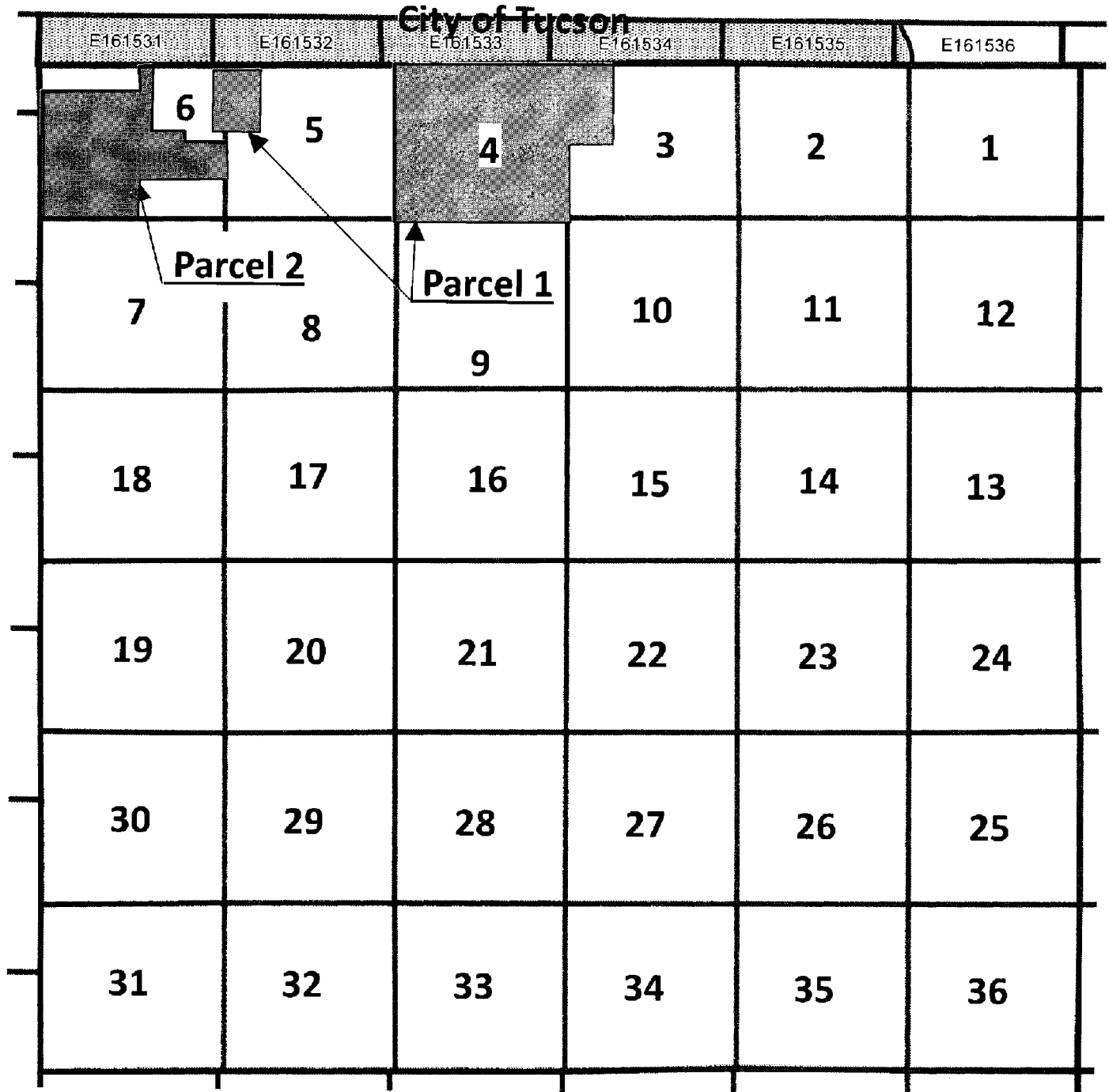
Thence North 89 degrees 58 minutes 17 seconds East, upon the northerly line of the said Northeast Quarter of the Southeast Quarter, a distance of 1320.96 feet to the POINT OF BEGINNING.

Government Lots 5 and 6, all in Section 6, Township 17 South, Range 15 East, Gila and Salt River Base and Meridian, Pima County, Arizona

Government Lots 7, 8, 9 & 10, and the East half of the Southwest quarter of Section 6, Township 17 South, Range 15 East, Gila and Salt river Meridian, Pima County, Arizona; EXCEPTING from said Lots 8 and 9, any portion lying within Wilmot Road right of way.

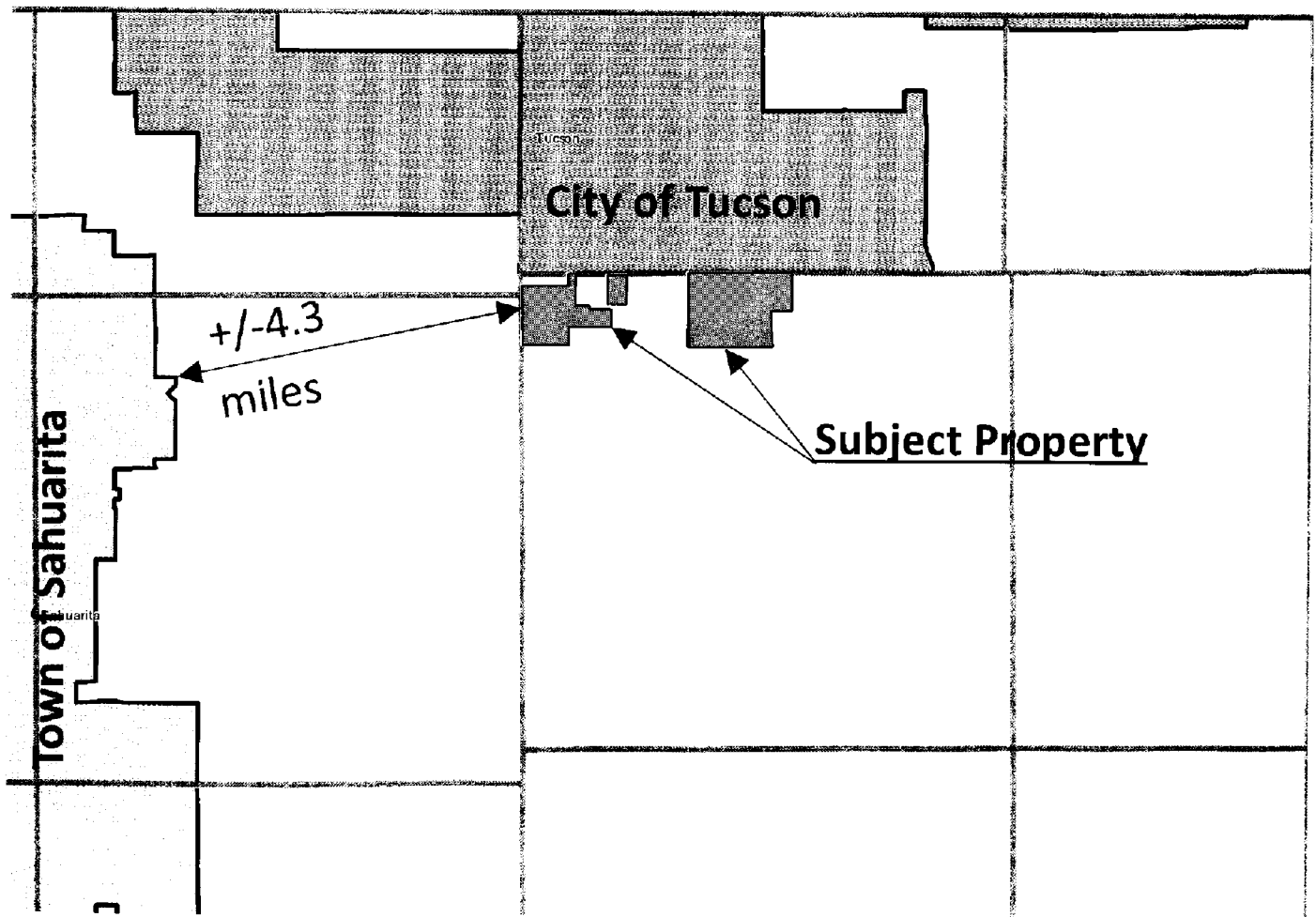
## APPENDIX 4

### L. Legal Description Map

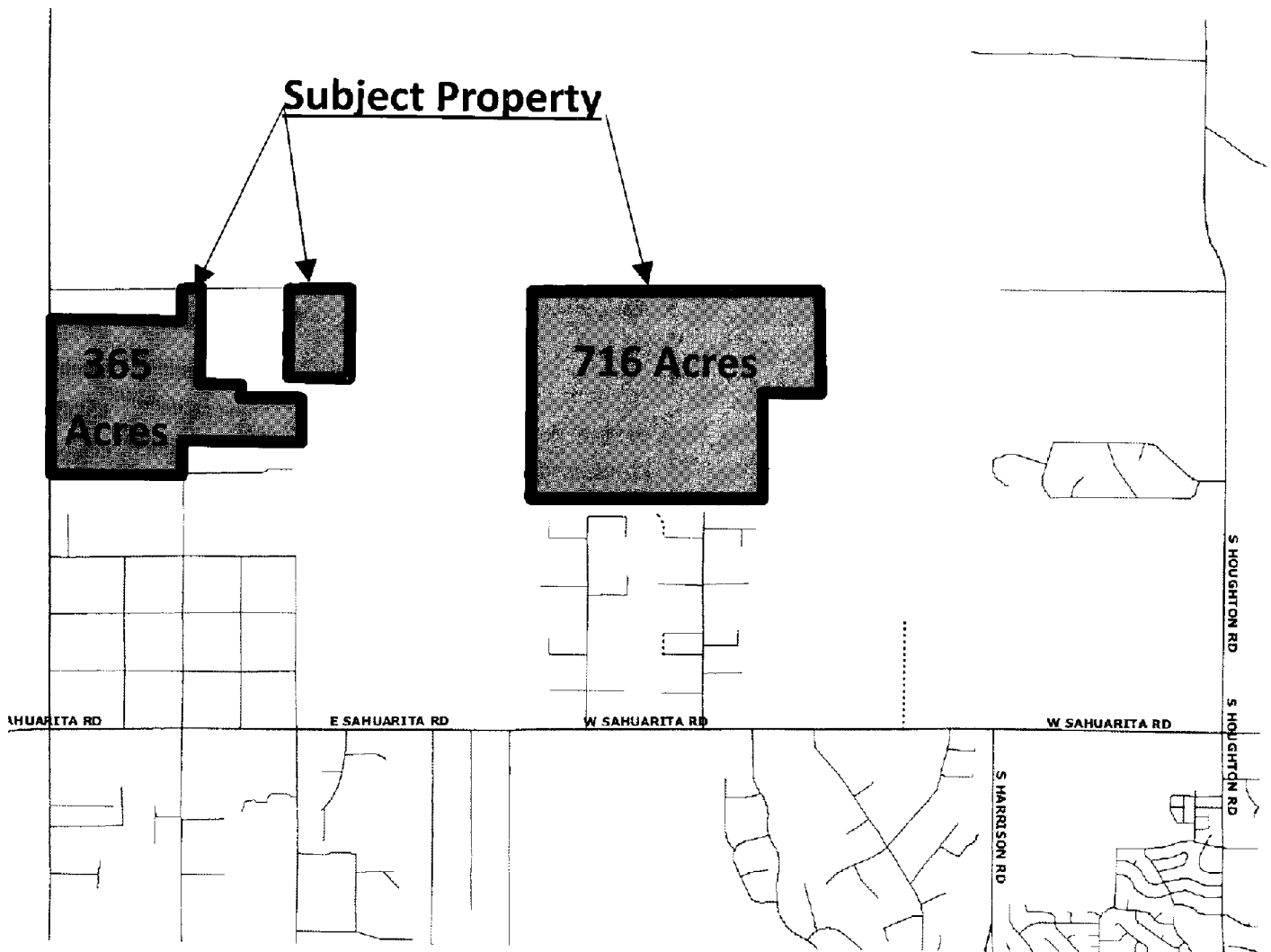


## APPENDIX 5

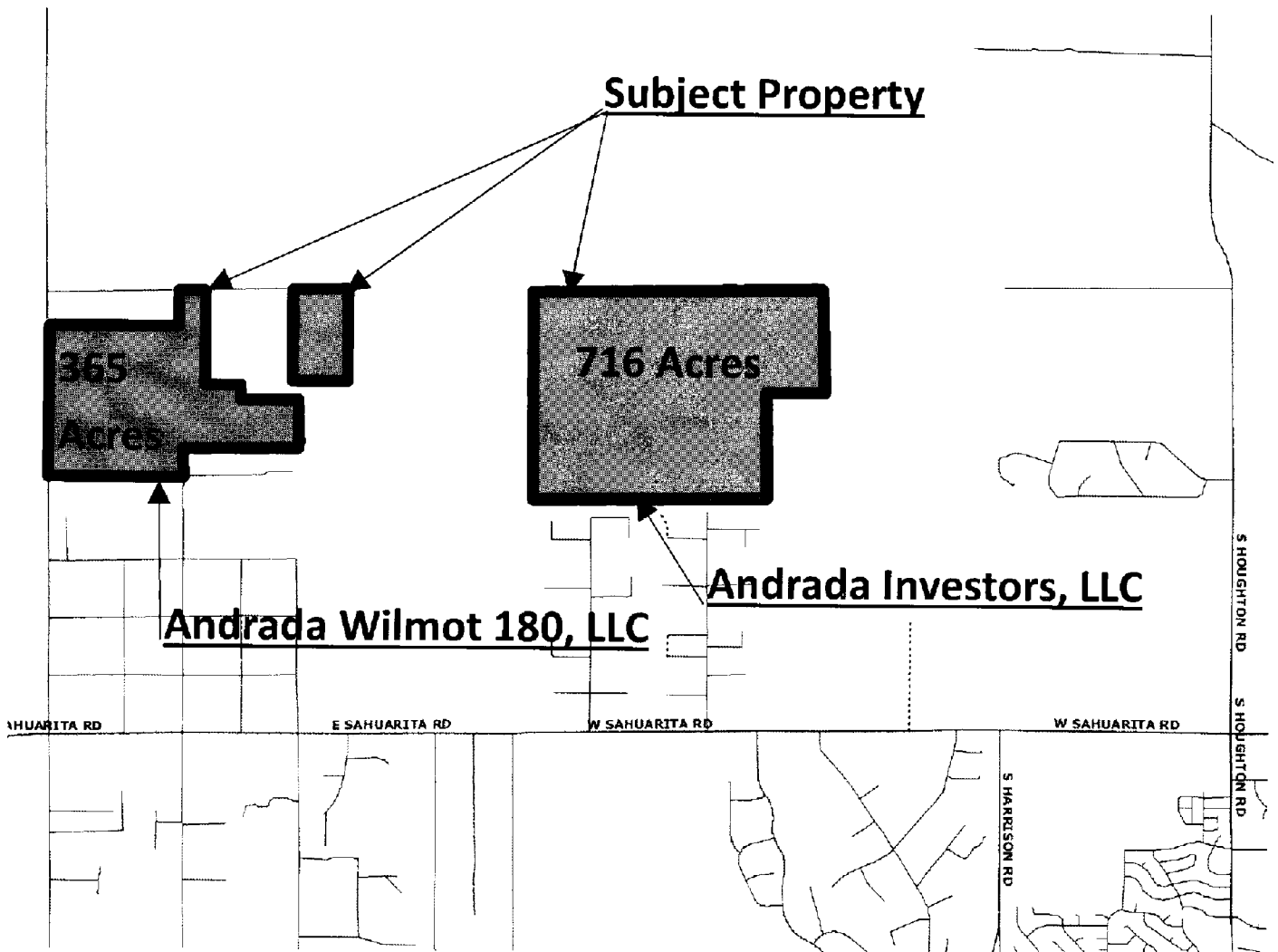
### M. Proximity to Jurisdictions



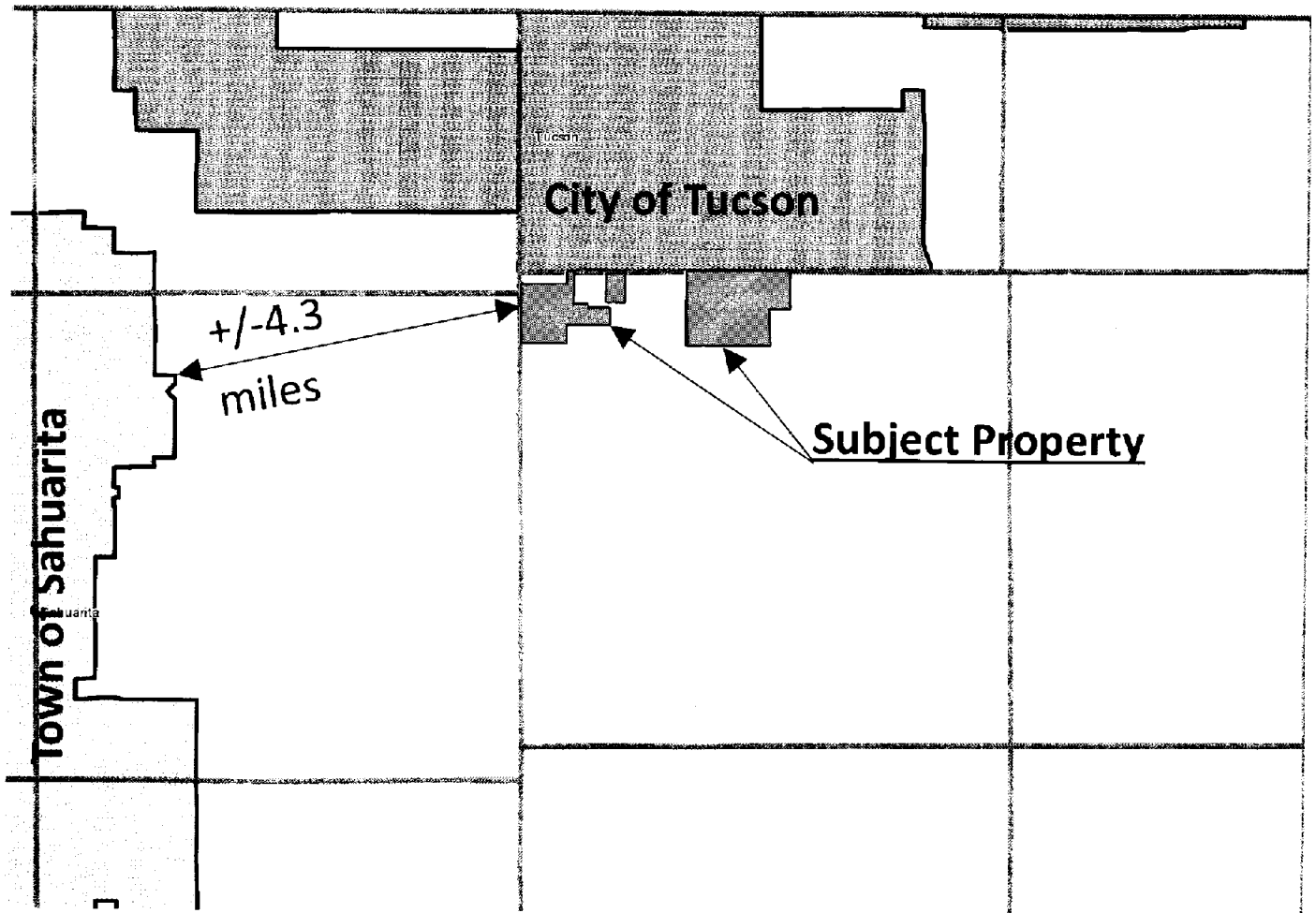
## U.1 Proposed CC&N Boundaries



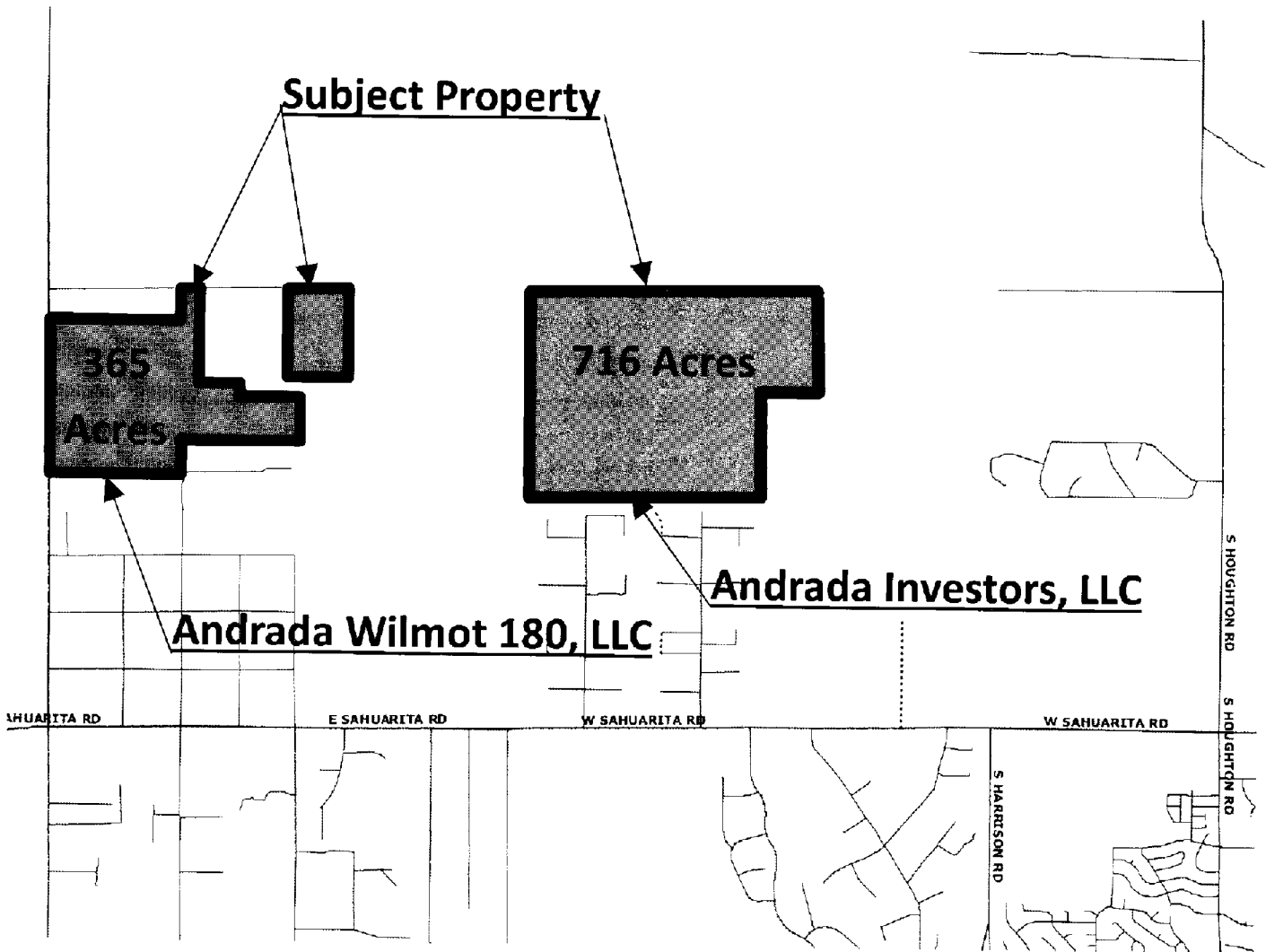
## U.2 & U.3 Land Ownership Boundaries



## U.4 Municipality Corporate Limits







U.9 Requests for Service

# Appendix “4”

to

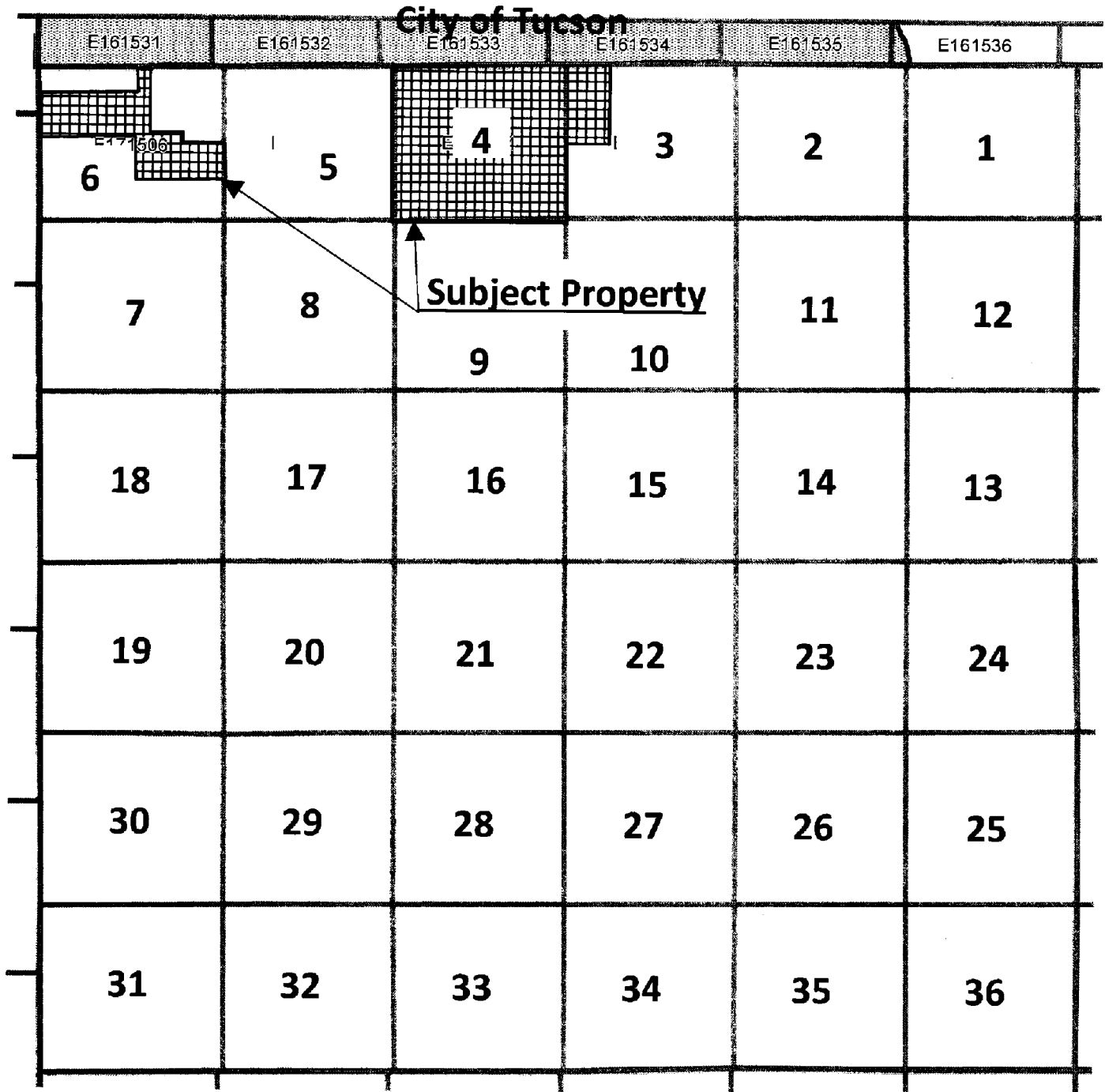
Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_

## L. Legal Description Map



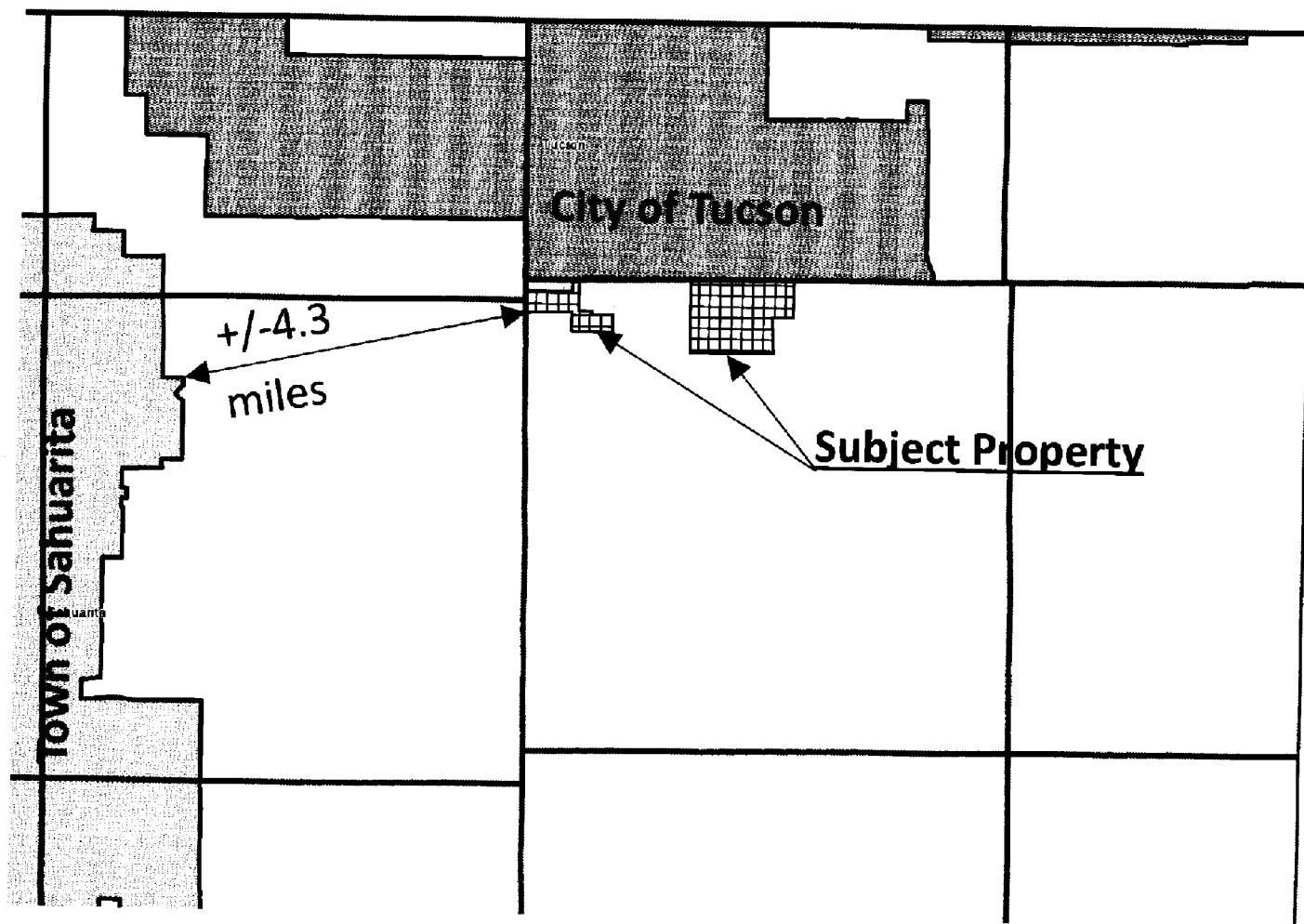
# Appendix “5”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona



M. Proximity to Jurisdictions

# Appendix “6”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

**HOOK M RANCH AND WILMOT PARK  
WATER SYSTEM MASTER PLAN**

**RED ROCK UTILITIES, LLC.**

*Prepared for:*

Red Rock Utilities, LLC.  
2200 E. River Road, Suite 115  
Tucson, AZ 85718

*Prepared by:*

  
**WestLand Resources, Inc.**  
Engineering and Environmental Consultants

4001 E. Paradise Falls Drive  
Tucson, Arizona 85712



**EXPIRES 12/31/2018**

**October 2016**  
**Project No. 1184.08**

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## EXHIBITS

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Exhibit 2.	Hook M Ranch Parcel
Exhibit 3.	Wilmot Park Parcel

## APPENDICES

Appendix A.	Build-Out System Demand Calculations
Appendix B.	Opinion of Probable Construction Costs for 3080-and 3160-Zone

## CHAPTER 1. WATER SYSTEM OVERVIEW

### 1.1. INTRODUCTION

The purpose of this Master Plan is to describe the required water system facilities to serve the proposed Hook M Ranch and Wilmot Park developments. This Master Plan will provide the basis for design of the new facilities. This master plan will discuss the operational method, proposed demands, and proposed facilities for service by Red Rock Utilities, LLC. (Red Rock). Red Rock is a private utility whose current Certificate of Convenience and Necessity (CC&N) boundaries include the Red Rock Village Master Planned Community in Pinal County, and the Verano Master Planned Community in Pima County. The Hook M Ranch and Wilmot Park Water System will be served by Red Rock by an extension of the existing Pima County CC&N boundaries.

The overall development is comprised of approximately 1,100 acres, located within portions of Sections 3, 4, 5, and 6 of Township 17 South, Range 15 East. The development is divided into two main parcels; Hook M Ranch to the east and Wilmot Park to the west (*Exhibit 1*). Part of the Hook M Ranch development includes an approximate 80-acre parcel located just east of the Wilmot Park parcel. This area will be dedicated to open space and right-of-way and will not require water service. The Hook M Ranch parcel at build-out is anticipated to include approximately 1,336 single-family units, 400 multi-family units, one K-8 school, and five acres of commercial use. The Wilmot Park parcel (formerly Andrada 365) at build-out is currently anticipated to consist of 800 single-family units. The planning horizon for this Master Plan is build-out of the entire Hook M Ranch and Wilmot Park developments; however, water service for only the first five years of development is addressed at this time.

This Master Plan is intended to be a flexible, working document allowing Red Rock staff to adjust planning and water system facilities installation to meet future conditions. However, this document cannot anticipate every future outcome, and as such, should be reviewed periodically to update the assumptions for water system boundaries, population growth, projected water usage, and infrastructure requirements. It is recommended that these updates be provided at three-year intervals, or as appropriate, to allow timely updates to the capital improvement program and funding issues.

## **CHAPTER 2. SCOPE AND APPROACH**

### **2.1. DEFINE KEY ISSUES**

The development of a Master Plan requires defining a strategic approach, key issues, and policies early in the planning process. These key issues and policies, and their initial assumptions, are required to design the final water system. The policies set forth within this section will affect the required water system layout, facility sizing, reliability, and costs of the required infrastructure.

### **2.2. WATER SYSTEM PLANNING HORIZON**

The projected planning horizon for the population and water system demands will be build-out. Population projections and demands on a per-zone basis will be provided for the build-out condition.

### **2.3. WATER RESOURCES AND DEVELOPMENT**

The Hook M Ranch and Wilmot Park water system will rely solely on groundwater supplies for its production water source. The water company will develop new groundwater wells to serve drinking water needs. The planning of well locations must take into account a number of factors including the hydrologic availability of water and location of the demand.

### **2.4. WATER SOURCE CAPACITY AND QUALITY REQUIREMENTS**

Engineering criteria require that the well system be capable of providing peak day demand (PDD) for the entire system with the largest well out of service. This Master Plan will develop the capacity requirements and locations for wells to meet this requirement.

The water quality in the Hook M Ranch and Wilmot Park development areas were evaluated and addressed in the Hook M Ranch Development Hydrology Report<sup>1</sup> and the Andrada 365 Development Hydrology Report<sup>2</sup> prepared by Basinwells Associates PLLC. The reports base the water quality review on Environmental Protection Agency (EPA) drinking water regulation violations in the area using the EPA Safe Drinking Water Information System (SDWIS) database as well as Arizona Drinking Water New Source Approval laboratory reports for wells in the vicinity. The SDWIS database showed no health-based violations for Tucson Water wells located southeast of Hook M Ranch in the Corona de Tucson area. The laboratory reports for nearby wells show that the wells are compliant with Arizona Drinking Water Standards. Based on the above water quality analysis, no water treatment procedures are expected at this time. However, chlorination may be used on the wells at the discretion of the operator.

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<sup>1</sup> Basinwells Associates PLLC 2012. Hydrology Report, Hook M Ranch Development, Tucson, Arizona, Investigation of Assured Water Supply. November 10, 2012.

<sup>2</sup> Basinwells Associates PLLC 2016. Hydrology Report, Andrada 365 Development, Tucson, Arizona, Investigation of Assured Water Supply. June 21, 2016.

## **2.5. STORAGE REQUIREMENTS**

Storage capacity is a highly critical element in the design and operation of water systems. The storage will provide operational flexibility and system reliability. Reservoir storage is used primarily to accommodate hourly demand fluctuations, PDD fluctuations, fire flow requirements, and emergency reserve storage. Each of these requirements added together form the required storage capacity. Current Arizona Department of Environmental Quality (ADEQ) criteria typically require the average daily demand (ADD) of the peak month plus fire flow requirements to be the minimum storage capacity per zone. This criterion will be used for the water system and will be calculated as 1.4 times ADD plus fire flow.

Storage capacity may be based on initial development consumption and phased as the water system expands. Storage should be provided in the zone where the usage is required or available to be readily transferred to the zone of use.

## **2.6. PRESSURE REQUIREMENTS**

Pressure extremes in water systems result in a potential for contamination to enter the system. Low pressures may allow polluted fluids to be forced into the system. High pressures may cause ruptures or breaks. Normal working pressure in the distribution system should not be less than 40 pounds per square inch (psi). System pressures under peak day conditions should not drop below 35 psi anywhere within the system. The system shall be designed to maintain a minimum pressure of 20 psi at ground level at all points in the distribution system under all conditions of flow. This is generally understood to mean that the minimum residual pressure must be 20 psi for each customer in a fire flow event from any hydrant, during a flow condition of peak day plus fire flow. Maximum pressures of as much as 100 psi can be allowed in small, low-lying areas not subject to high flow rates and surge pressure. The Uniform Plumbing Code, latest edition (UPC) limits water pressure within the individual property owners' plumbing to 15 to 80 psi. Boosting or regulating the pressure from the meter to the customer is the responsibility of the customer.

## **2.7. FIRE FLOW POLICY**

There are generally two considerations to providing adequate fire flow. The first consideration includes offsite requirements such as the volume of fire flow storage available in reservoirs, adequately designed pressure zones, and the size of transmission mains. The second factor is the internal distribution system within the neighborhood, including main sizes, adequate looping, and fire-hydrant placement. The goal of this Master Plan is to develop adequately sized reservoirs, properly designed pressure zones, and water transmission mains sized to provide as much fire flow as practical to existing areas, and to provide adequate fire flow for new development.

Fire flow requirements for homes typically vary from 1,000 to 1,500 gallons per minute (gpm), depending on the size of the home and the requirements of the fire district. The typical residential subdivision will have a fire flow requirement of 1,000 gpm for a two-hour duration, although required flows can be 1,500 gpm or higher for homes larger than 3,600 square foot under roof. Higher flows can often be reduced

through the use of residential sprinkler systems. Commercial facility fire flow requirements also vary depending on the square footage of the commercial building, occupancy type, building material type, exposure distance to other buildings, and whether the structure is sprinklered. Typical commercial facilities will have fire flow requirements from 1,500 to 2,500 gpm for a two- to three-hour duration. Fire flows can be adjusted by the local fire district, if the nature of the system or the rural nature of the area precludes the full fire flow per the International Fire Code (IFC). For purposes of this Master Plan, the fire flow will be assumed to be 1,000 gpm for two hours for residential and 1,500 gpm for two hours for the school and commercial facilities. The development will be served by the Corona de Tucson Fire Department, which currently requires all homes over 3,600 square feet and all commercial buildings to be sprinklered. Corona de Tucson Fire Department currently adopts the 2012 edition of the IFC.

## **2.8. WATER MAIN REQUIREMENTS**

The goal for this Master Plan is to describe a water transmission system that will tie together areas within a pressure zone to create a single integrated zone. The transmission and distribution systems should be sized and arranged to minimize friction-generated line losses and provide the required fire flows. The policy of Red Rock will be to require looped water transmission and distribution systems for the water main grid system wherever possible. In addition, appropriate valving locations and intervals should be required to isolate small sections of main during breakages and reduce the number of residences out of service.

## **2.9. LAND ACQUISITION**

This Master Plan will help to provide locations and sizes for future wells, reservoirs, booster stations, and major transmission mains to serve the water system. These facilities will be generally located on water system maps. Many factors and constraints will be required to determine the final location for each site. These factors include the proximity to three-phase power, access to local public streets, hydrologic requirements for well sites, noise and buffer requirements for booster stations and wells, aesthetic screening requirements for aboveground facilities, and the cost of land acquisition and/or the availability of other preferable sites.

## CHAPTER 3. ENGINEERING CRITERIA

Based on the information presented in Chapter 2, the system design criteria for this Master Plan are described below in terms of demand, supply, storage, and distribution system assumptions.

### 3.1. DEMAND CRITERIA

Demand, residency estimates, and peaking factors are based on the typical criteria for similar systems in the southern Arizona area.

- Average daily per capita water usage for single-family residential ..... 90 gpcd
- Average daily per acre water usage for commercial/mixed use/recreation ..... 1,490 gpad
- Average daily per student water usage for elementary school ..... 25 gpsd
- School Turf Usage ..... 4.6 afaa
- Low Water Vegetation Use ..... 1.5 afaa
- Delivery Losses ..... 8% of all demands
- Average number of persons per single-family dwelling unit ..... 2.8 pphu
- Average number of persons per multi-family dwelling unit ..... 1.8 pphu
- Ratio of peak day to average-day use for residential/commercial ..... 2.0
- Ratio of peak hour to average-day use for residential/commercial ..... 3.0

gpcd – gallons per capita per day  
gpad – gallons per acre per day  
gpsd – gallons per student per day  
afa – acre-feet per acre per year  
pphu – persons per housing unit

### 3.2. SUPPLY CRITERIA

- Well capacity to meet PDD with the largest well out of service.
- The minimum supply from well and boosters pumping to elevated storage must meet PDD.
- The minimum booster capacity to zones without elevated storage must meet peak-hour demand (PHD) or PDD plus fire flow, whichever is larger.

### 3.3. STORAGE CRITERIA

- Provide storage volume equal to a minimum of 1.4 times the ADD.
- Provide additional storage volume required to provide 1,000 gpm or 1,500 gpm fire flow for residential and commercial/school development, respectively, for a two-hour duration.

### 3.4. DISTRIBUTION SYSTEM CRITERIA

- System design and construction to meet Red Rock and ADEQ requirements.
- Under PDD conditions, for distribution system pipelines 12 inches or less, the velocity shall not exceed 5 feet per second (fps) or the head loss shall not exceed 8 feet per 1,000 feet, whichever is more stringent.

- Under PDD plus fire flow conditions, for distribution system pipelines 12 inches or less, the velocity shall not exceed 10 fps.
- Distribution lines to be sized and arranged to provide required fire flows.
- Provide a line-size valve, normally closed, or a pressure reducing valve (PRV) station at pipelines crossing zone boundaries.
- Water will generally be supplied at the customer's meter within a static pressure range of 35 to 85 psi. Due to localized conditions, certain locations may receive water pressure slightly less or greater. It is the customer's responsibility to increase or decrease the pressure to meet the UPC pressure requirements of 15 – 80 psi for the private plumbing.

## CHAPTER 4. SYSTEM ANALYSIS - DEMAND CALCULATIONS

The water system's design criteria were used to develop the future water system capacity requirements. Future system requirements include the capacity of wells, storage, boosters, and water mains to serve the build-out demand.

Two distinct water system pressure zones have been developed to provide service to the proposed development. Both zones will be served by pressure. The zones will be served from separate reservoirs and wells, with a booster station located at the reservoir sites providing pressure service to the respective zone. *Table 1* provides a summary of the proposed pressure zone boundaries. The 3160-Zone will serve the Hook M Ranch parcel and the 3080-Zone will serve the Wilmot Park parcel (see *Exhibit 1*). Homes between the elevations of 2,860 and 2,895 feet within the Wilmot Park parcel will require individual PRVs to reduce the pressure to 80 psi. At this time the pressure zones will be served independently; however, the two zones may be interconnected in the future as development occurs between the Hook M Ranch and Wilmot Park parcels.

Table 1. Proposed Water System Pressure Zone Boundaries

Zone	Theoretical High Water (ft)	Service Area Boundaries (ft)	Service Area Pressures (psi)	Change in Elevation (ft)	Zone Type
3160	3160	2982-3060	44 - 77	78	Pressure
3080	3080	2860-2980	44 - 96	120	Pressure

### 4.1. POPULATION PROJECTIONS

The water system analysis is based on the approximate number and type of units at build-out for the water system. The Hook M Ranch and Wilmot Park Conceptual Land Use Plans provides the location and type of future development projects for both the Hook M Ranch and the Wilmot Park parcels.

The population projection is based on the number of residential units and assumptions of 2.8 pphu for single family (SF) and 1.8 pphu for multi-family (MF). The estimated population for the water system is approximately 6,700 at build-out; with approximately 4,460 residents in the Hook M Ranch parcel and 2,240 in the Wilmot Park parcel.

### 4.2. DEMAND PROJECTIONS

The demand criteria presented in Chapter 3 were used to calculate the build-out demands for the water system by zone. The equivalent dwelling units (EDU) are calculated based on the ratio of total projected water demands to the water demands of single family dwelling units. *Table 2* summarizes the build-out ADD, PDD, and PHD for each zone and for the water system as a whole. Further breakdown of all calculations are presented in *Appendix A*.



Table 2. Build-out System Demands

Pressure Zone	SF Units	MF Units	Comm. Area (acre)	K-8 School Students	School Low Water Use (acre)	School Turf (acre)	Common Area Low Water Use (acre)	Common Area Turf (acre)	ADD* (gpd)	ADD* (gpm)	PDD* (gpm)	PHD* (gpm)
3160	1,336	400	5	500	3	5	22.5	7.75	548,557	386	771	1,157
3080	800	-	-	-	-	-	10	-	232,189	162	324	486
<b>Total System</b>	<b>2,136</b>	<b>400</b>	<b>5</b>	<b>500</b>	<b>3</b>	<b>5</b>	<b>32.5</b>	<b>7.75</b>	<b>780,746</b>	<b>548</b>	<b>1,095</b>	<b>1,643</b>
<b>Total System EDUs</b>	<b>3,098</b>											

\*Includes 8% lost and unaccounted for water.

### 4.3. SYSTEM SIZING

The water system design criteria, as previously provided, were used to develop the future water system capacity requirements. The system requirements include the capacity of wells, storage, boosters, and mains to serve the demands. The infrastructure sizing is described below for each pressure zone.

#### 4.3.1. Wells

Well production requirements are based on meeting PDD with the largest well out of service. Each pressure zone is assumed to have two wells that each produce PDD. Based on projected build-out conditions, the 3160-Zone requires approximately 1,550 gpm of well capacity (two wells at 775 gpm) and the 3080-Zone requires approximately 650 gpm (two wells at approximately 325 gpm). The wells will pump directly to the respective zone reservoir and will be level controlled by the reservoir.

#### 4.3.2. Storage

Storage sizing requirements are based on meeting 1.4 times the ADD plus fire flow to meet ADEQ requirements. Fire flow demands will be served through boosters.

The storage requirements per zone are presented in *Table 3*. A fire flow of 1,500 gpm was assumed for both pressure zones to allow for potential changes in land use.

**Table 3. Reservoir Capacity Requirements**

Zone	ADD (gpd)	Potable Storage Requirement (1.40 ADD/gal)	Fire flow Storage Requirement (gal)	Storage capacity Requirement (ADD + FF) gallons
3160	548,600	768,000	180,000	948,000
3080	232,200	325,000	180,000	505,000

#### 4.3.3. Booster Capacity

Booster station facility sizing is based upon providing PHD or PDD plus fire flow, whichever is greater. PHD for the 3160-Zone is 1,157 gpm and PDD plus fire flow is 2,271 gpm (1,500 gpm fire flow), based on the demands calculated in Section 4.2. Therefore, the booster station required capacity is approximately 2,275 gpm.

PHD for the 3080-Zone is 486 gpm and PDD plus fire flow is 1,825 gpm (1,500 gpm fire flow) therefore, the booster station required capacity is approximately 1,825 gpm.

### 4.4. PROPOSED FACILITIES - WATER SERVICE CONCEPT

The proposed water system will include two pressure zones, the 3160-Zone and 3080-Zone (*Exhibits 1 and 2*). Each zone will be served by its own wells, reservoir, and booster station. The source water will be provided by two wells in each zone: two within the Hook M Ranch parcel and two within the Wilmot Park

parcel. All wells will pump directly to the storage reservoir located in the respective zone. One well will be constructed within the reservoir site with the other well to be constructed approximately 2,000 feet away. The reservoir site will also include the booster station. This layout for the system was selected due to the distance between the Hook M Ranch and Wilmot Park parcel and provides the most reliable and energy efficient system for each development area. The two zones may interconnect in the future as development occurs between the Hook M Ranch and Wilmot Park parcels. This water service concept provides future flexibility to serve parcels to the west of Wilmot Park, between the two parcels, and east of the Hook M Ranch parcel.

The facilities proposed to meet the system requirements are described below. The proposed system and the required facilities are shown on *Exhibits 1* and *2*.

#### **4.4.1. Well System Requirements**

The build-out well capacity requirement of the Hook M Ranch and Wilmot Park water system is approximately 1,550 gpm in the 3160-Zone (including 775 gpm reserve capacity) and approximately 650 gpm in the 3080-Zone (including 325 gpm reserve capacity). In order to meet these build-out capacity requirements, four wells will be constructed: two within the Hook M Ranch parcel and two within the Wilmot Park parcel. A minimum of two wells will be required in each zone to meet the well production requirements.

The wells in the Hook M Ranch parcel will be located generally in the northwest portion of the parcel. The Wilmot Park wells will be located halfway between the northern and southern boundary on the west and east end of the parcel. These preferred locations for the wells are based on the Hook M Ranch Development Hydrology Report and the Andrada 365 Development Hydrology Report prepared by Basinwells Associates PLLC. However, further analysis will be required in determining the final location of these wells including a well-spacing analysis, proximity to the greatest and most efficient hydrologic aquifer supply, and proximity to the distribution system. The wells will be connected to the system with 8-inch pipelines that deliver water directly to the zone reservoir. This configuration will allow for a single point of disinfection at each reservoir. Telemetry will be provided at each of the well sites.

#### **4.4.2. Reservoir System Requirements**

The storage requirement for the 3160- and 3080-Zones is approximately 948,000 gallons and 505,000 gallons, respectively. A reservoir will be constructed in each zone to provide this storage capacity. The reservoirs will be constructed at one of the well sites for each zone. Central disinfection will be provided at the reservoirs.

#### **4.4.3. Booster Station Requirements**

There will be a 2,275 gpm booster station in the 3160-Zone and an 1,825 gpm booster station in the 3080-Zone to meet PDD and fire flow demands. The selection of the number and capacity of the pumps for each booster station will be performed during engineering design. Each booster station will be located within the

reservoir site for each zone. A backup generator will be required at each booster station to provide a backup power supply.

#### **4.4.4. Distribution System Requirements**

This Master Plan provides a concept distribution system that consists of mains required to provide transport capacity between wells and reservoirs and provide capacity to serve each development parcel for PDD plus fire flow. The water system layout within each parcel is not discussed in this report. The following transmission mains are anticipated (*Exhibits 2 and 3*):

- Approximately 16,900 lf of 12-inch 3160-Zone water main for the 3160-Zone distribution system. The 12-inch pipelines in *Exhibit 3* are subdivision piping and are shown for information purposes only.
- Approximately 4,000 lf of 8-inch well conveyance pipeline.

## CHAPTER 5. INFRASTRUCTURE COST ESTIMATES

### 5.1. FUTURE SYSTEM COST PROJECTIONS

In order to meet future system requirements, cost projections have been provided to predict the total infrastructure costs. Red Rock will need to construct distribution mains, two booster stations, four wells, and two reservoirs. The total cost to construct these facilities to meet current standards is estimated to be approximately \$9.52 million: \$3.34 million for the 3080-Zone facilities and \$6.18 million for the 3160-Zone facilities.

The 3080-Zone facilities consist of 2,000 lf of 8-inch well conveyance pipeline, 625 gpm of well capacity, 505,000 gallons of reservoir storage capacity, and 1,825 gpm of booster capacity. The cost allocation of the \$3.34 million of infrastructure includes approximately \$150,000 for the well conveyance pipeline, \$540,000 for the reservoir, \$585,000 for the booster station, \$1.40 million for the wells, and an additional 25 percent for engineering and contingencies. *Appendix B* provides the Opinion of Probable Construction Cost (OPCC) for the 3080-Zone facilities.

The 3160-Zone facilities consist of 2,000 lf of 8-inch well conveyance pipeline, 16,900 lf of 12-inch transmission mains, 1,550 gpm of well capacity, 948,000 gallons of reservoir storage capacity, and 2,275 gpm of booster capacity. The cost allocation of the \$6.18 million of infrastructure includes approximately \$150,000 for the well conveyance pipeline, \$1.61 million for the transmission mains, \$800,000 for the reservoir, \$685,000 for the booster station, \$1.70 million for the wells, and an additional 25 percent for engineering and contingencies. *Appendix B* provides the OPCC for the 3160-Zone facilities.

#### 5.1.1. Cost Projection Assumptions

A major component in compiling this Master Plan is the cost projections for the recommended facilities. *Appendix B* provides a list of the proposed infrastructure projects. Due to the fact that this Master Plan planning document shows conceptual layouts for proposed facilities, assumptions were made to predict probable construction costs. Standard assumptions were made for several categories of improvements.

#### 5.1.2. Installation of Water Mains

Projections in this Master Plan indicate that approximately 16,900 lf of 12-inch transmission main and 4,000 lf of 8-inch well conveyance pipeline will need to be installed at build-out. Based on recent bids for other water utilities, and applying standard assumptions for soil conditions, the following costs were used:

- \$75 per lf of 8-inch water main
- \$95 per lf of 12-inch water main

This cost assumption includes valves, fittings, and appurtenances required for the installation of the proposed water mains. The cost assumption does not include easement or right-of-way acquisition.

### **5.1.3. Installation of Welded Steel Reservoirs**

Projections of the water system storage requirements indicate that two reservoirs will be required at build-out. It is assumed that each storage facility will be a welded steel reservoir. The cost per gallon of storage for each reservoir decreases as the size of the reservoir increases. The cost for each reservoir is estimated using the information from recent bids with an estimate of \$800,000 for the 940,000 gallon reservoir and \$540,000 for the 505,000 gallon reservoir. The cost assumptions include the steel reservoir, concrete ring wall, the required on-site work, on-site piping, on-site grading, and chain link fence.

### **5.1.4. Well Installations**

This Master Plan estimates that four wells will be required to meet the supply demands of the water system: two in the 3080-Zone and two in the 3160-Zone. One well in each zone will be constructed at the zone reservoir site and the other well will be constructed on a separate site approximately 2,000 feet from the reservoir site. The cost for each well was estimated using recent bids and applying standard assumptions for drilling rig requirements for access. The 3160-Zone wells are larger at an assumed production rate of 775 gpm. A cost of \$750,000 was assumed to drill and equip the 775 gpm reservoir site well and \$950,000 to drill and equip the other 775 gpm well. The 3080-Zone wells are assumed to have a production rate of 325 gpm. A cost of \$600,000 was assumed to drill and equip the 325 gpm reservoir site well and \$800,000 to drill and equip the other 325 gpm well. All cost estimates include standard drilling operations, sanitary seal, well column tube and shaft, motor, and pump bowl assembly, assuming the wells are to be drilled using a flooded reverse-circulation drilling rig. The 775 gpm wells assume a 16-inch well casing and the 325 gpm wells assume a 14-inch casing. In addition the cost projection for the wells located separately from the reservoirs includes components for on-site piping and equipment, on-site power and electrical, telemetry, site grading, and fencing. The costs for the reservoir site wells do not include any of these items as they are already included in the cost of the booster station.

### **5.1.5. Booster Stations**

This Master Plan includes a booster station to meet build-out demands. Using bids recently received, and applying standard assumptions, a cost of \$600,000 for the 2,275 gpm booster station and \$500,000 for the 1,825 gpm booster station was assumed. A backup generator for each booster station site is estimated to cost \$85,000. This cost assumption includes on-site piping and equipment (including a hydropneumatic tank), on-site power and electrical, and telemetry.

### **5.1.6. Engineering and Contingencies**

Due to the planning nature of the locations of the facilities proposed in this Master Plan, contingencies are added to reflect unforeseen conditions that may affect the individual projects. This cost component also includes engineering fees. For the cost estimates in Section 5.1, engineering and contingencies of 25 percent have been included.

## CHAPTER 6. WATER SYSTEM PHASING FOR HOOK M RANCH AND WILMOT PARK

The phasing of the Hook M Ranch and Wilmot Park water system infrastructure is discussed in this chapter based on the phasing of development. The phases are 1) first five years and 2) build-out. Development is planned to begin in the Wilmot Park parcel. The absorption schedule for Wilmot Park estimates that 660 of the 800 homes will be sold within the first five years. The Hook M Ranch parcel will begin after Wilmot Park is built-out. The water demands, infrastructure requirements, and cost estimate for each phase is discussed in the following sections.

### 6.1. PHASE I – FIRST FIVE YEARS OF DEVELOPMENT

Based on the absorption schedule, the first five years of development will include 660 homes in the Wilmot Park parcel. It is assumed that all of the common areas will also be part of Phase I. The water demands and facility requirements are presented in *Table 4* for Phase I.

Table 4. Phase I Water Demands and Facility Requirements

Development Area	Single-Family Units (SF)	ADD (gpm)	Well Requirement PDD (gpm)	Storage Requirement 1.4 ADD (gal)	Booster Requirement PDD (gpm)
Wilmot Park	660	136	272	271,722	272
Fire Flow	-	-	-	180,000	1,500
<b>Total of Phase I</b>	<b>660</b>	<b>136</b>	<b>272</b>	<b>451,722</b>	<b>1,772</b>

The water demands and facility sizing requirements for the 660 lots is slightly under the capacity requirements to serve the entire 800 lots included in the 3080-Zone. Therefore, Phase I of construction will include all of the 3080-Zone facilities to serve the Wilmot Park parcel including the two wells, reservoir, and booster station.. The estimated cost for the installation of the 3080-Zone facilities is approximately \$3.34 million (*Appendix B*).

### 6.2. PHASE II – BUILD-OUT

Build-out will include the remaining 140 single-family units in the Wilmot Park parcel and the entire Hook M Ranch parcel. Water demands will be the build-out demands provided in *Table 2* in Section 4.2. The remaining facilities to be constructed include the 3160-Zone infrastructure including the two wells, reservoir, booster station, and transmission mains. The estimated cost for the installation of the 3160-Zone facilities is approximately \$6.18 million (*Appendix B*).

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## EXHIBITS



Westland Resources, Inc.  
Tucson • Phoenix • Flagstaff  
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Tucson, Arizona 85712 (520) 266-9585

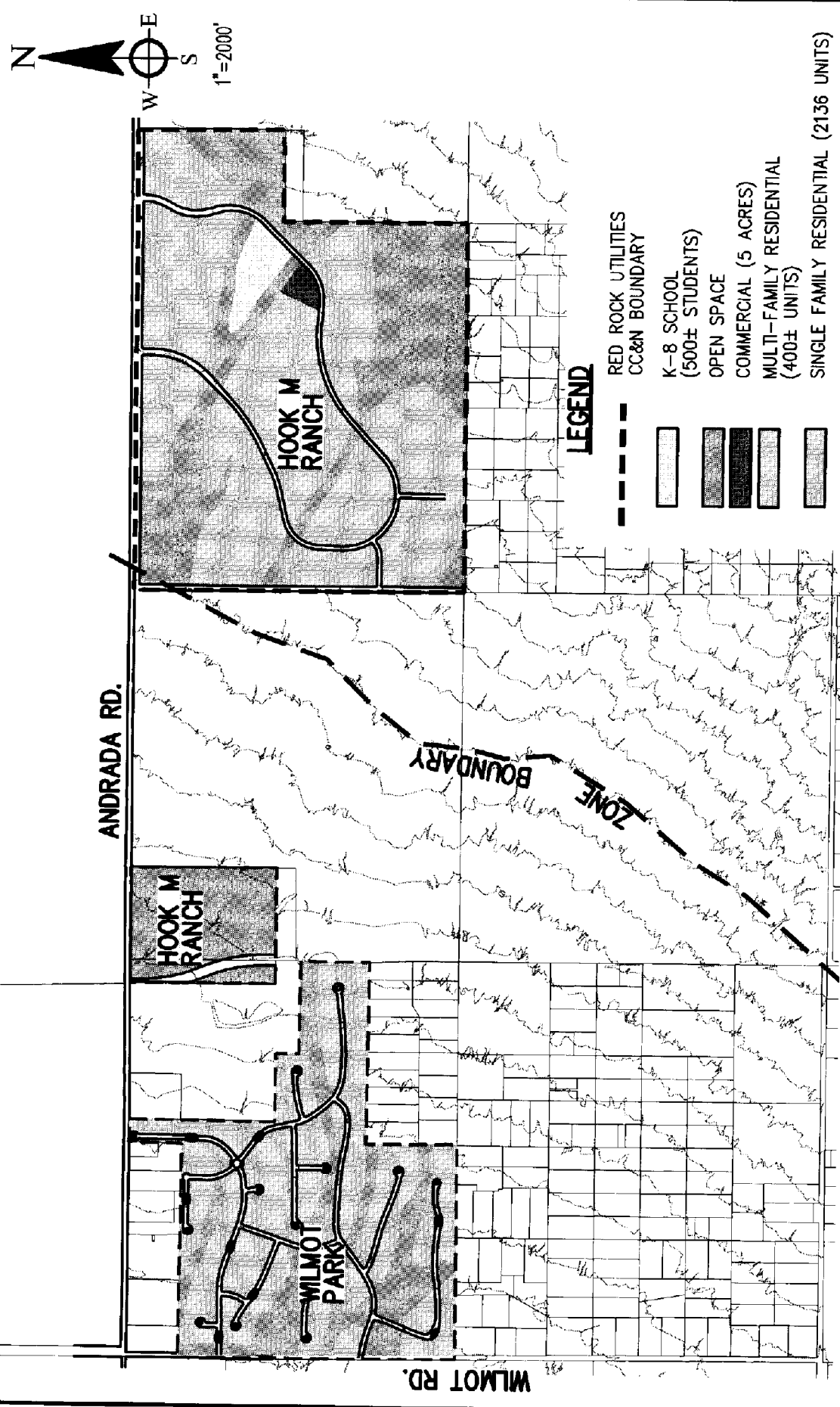
# PROJECT OVERVIEW

## HOOK M RANCH AND WILMOT PARK

### WATER SYSTEM MASTER PLAN

EXHIBIT 1

OCTOBER 19, 2016



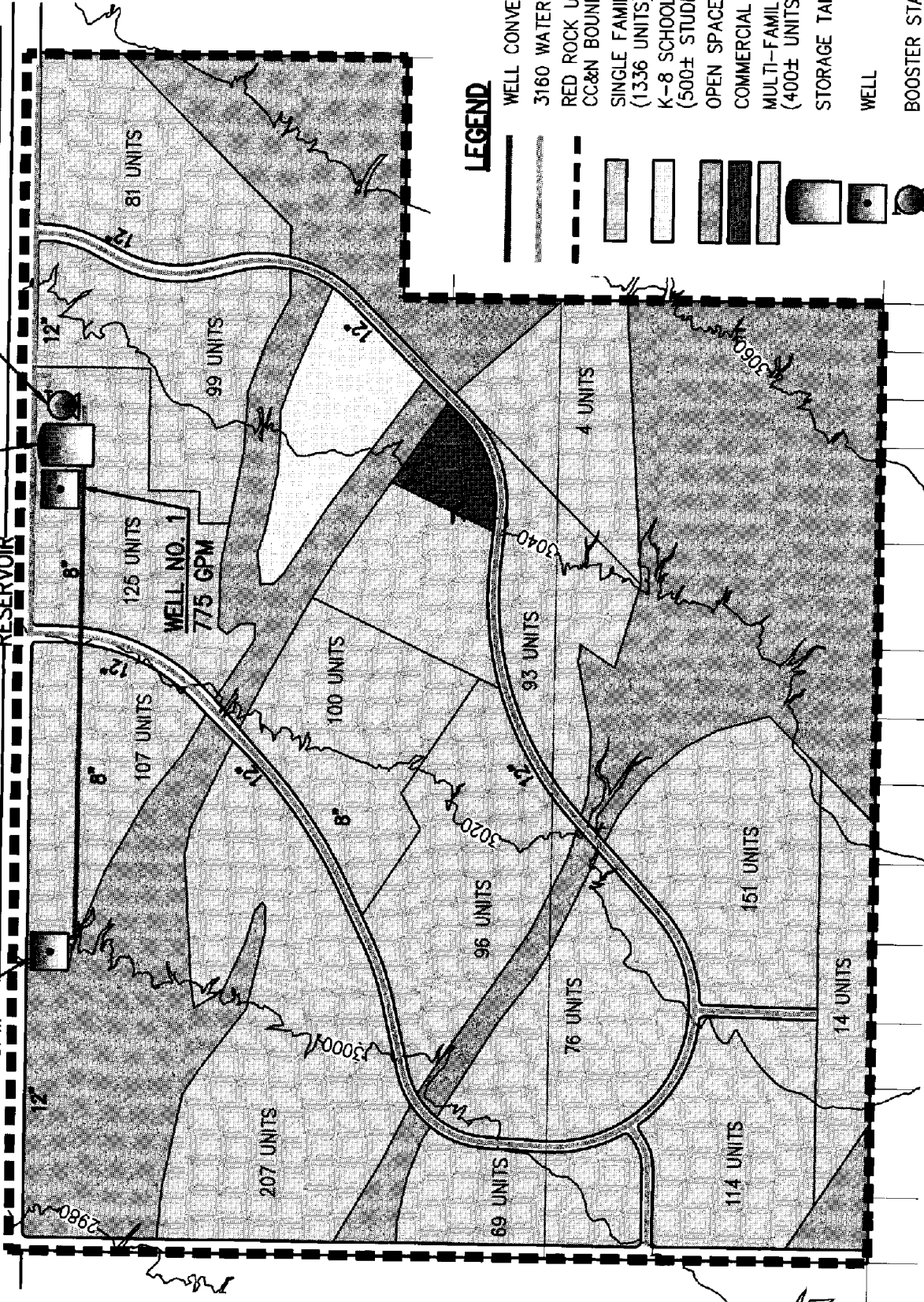
WELL NO. 2  
775 GPM

ANDRADA RD.

948,000 GALLON  
RESERVOIR

WELL NO. 1  
775 GPM

2,275 GPM BOOSTER STATION



### LEGEND

- WELL CONVEYANCE LINE
- 3160 WATER MAIN
- RED ROCK UTILITIES
- CC&N BOUNDARY
- SINGLE FAMILY RESIDENTIAL (1336 UNITS)
- K-8 SCHOOL (500± STUDENTS)
- OPEN SPACE
- COMMERCIAL (5 ACRES)
- MULTI-FAMILY RESIDENTIAL (400± UNITS)
- STORAGE TANK
- WELL
- BOOSTER STATION

## HOOK M RANCH PARCEL (3160-ZONE)

### HOOK M RANCH AND WILMOT PARK WATER SYSTEM MASTER PLAN

EXHIBIT 2

OCTOBER 19, 2016

Westland Resources, Inc.

Tucson • Phoenix • Flagstaff

4001 E Paradise Falls Drive

Tucson, Arizona 85712

(520) 266-9585

ANDRADA RD.

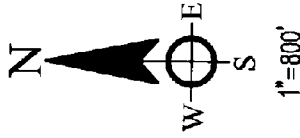
WELL NO. 1  
325 GPM

WELL NO. 2  
325 GPM

505,000 GALLON  
RESERVOIR

1,825 GPM  
BOOSTER STATION

WILMOT RD.



# LEGEND

- 3080 ZONE WATER MAIN
- WELL CONVEYANCE LINE
- RED ROCK UTILITIES
- CC&N BOUNDARY
- SINGLE FAMILY RESIDENTIAL (800 UNITS)
- OPEN SPACE

## WILMOT PARK PARCEL (3080-ZONE) HOOK M RANCH AND WILMOT PARK WATER SYSTEM MASTER PLAN

EXHIBIT 3

OCTOBER 19, 2016

Westland Resources, Inc.  
Tucson • Phoenix • Flagstaff  
4001 E. Paradise Falls Drive  
Tucson, Arizona 85712 (520) 266-9585

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## **APPENDIX A**

### **BUILD-OUT SYSTEM DEMAND CALCULATIONS**

**Build-Out System Demand Calculations**  
Hook M Ranch and Wilmot Park Water System Master Plan  
WestLand Project No. 1184.08

<b>Demand Criteria</b>		
<b>Demand, Residency Estimates, and Peaking Factors</b>	<b>Value</b>	<b>Units</b>
Average daily per capita water usage for single- and multi-family residential	90	gpcd
Average daily per acre water usage for commercial/mixed use/recreation	1490	gpad
Average daily per student water usage for elementary school	25	gpsd
Turf Usage	4.6	afaa
Low Water Vegetation Usage	1.5	afaa
Percent Lost and Unaccounted For	8	%
Average number of persons per single-family dwelling unit	2.8	pphu
Average number of persons per multi-family dwelling unit	1.8	pphu
Ratio of peak day to average-day use for residential/commercial	2	
Ratio of peak hour to average-day use for residential/commercial	3	

**Hook M - 3160 Zone**

<b>Parcel No.</b>	<b>Use Type</b>	<b># Units</b>	<b>Average Daily Demand (gpd)</b>	<b>Average Daily Demand (gpm)</b>	<b>Peak Daily Demand (gpm)</b>	<b>Peak Hour Demand (gpm)</b>
Single Family Residential	CR-5 Zoned	1332	335,664	234	468	702
Single Family Residential	SR Zoned	4	1,008	1	2	3
Multi-Family Residential	TR Zoned	400	64,800	45	90	135
Elementary School (students)	Elementary School	500	12,500	9	18	27
Commercial (acres)	Commercial	5	7,450	6	12	18
Common Area Low Water Vegetation Usage (acres)	Common Area	22.5	30,128	21	42	63
Common Area Turf (acres)	Common Area	7.75	31,824	23	46	69
School Low Water Vegetation Usage (acres)	Elementary School	3	4,017	3	6	9
School Turf (acres)	Elementary School	5	20,532	15	30	45
<b>Sub-Total 3160 Zone</b>			<b>507,923</b>	<b>357</b>	<b>714</b>	<b>1071</b>
<b>8% Lost and Unaccounted For</b>			<b>40,634</b>	<b>29</b>	<b>57</b>	<b>86</b>
<b>Total 3160 Zone</b>			<b>548,557</b>	<b>386</b>	<b>771</b>	<b>1,157</b>
<b>Total 3160-Zone EDU'S</b>						<b>2,177</b>

**Wilmot Park - 3080 Zone**

<b>Parcel No.</b>	<b>Use Type</b>	<b># Units</b>	<b>Average Daily Demand (gpd)</b>	<b>Average Daily Demand (gpm)</b>	<b>Peak Daily Demand (gpm)</b>	<b>Peak Hour Demand (gpm)</b>
Andrada 365	Single Family Residential	800	201,600	140	280	420
Common Area Low Water Vegetation Usage (acres)	Common Area	10	13,390	10	20	30
<b>Sub-Total 3080 Zone</b>			<b>214,990</b>	<b>150</b>	<b>300</b>	<b>450</b>
<b>8% Lost and Unaccounted For</b>			<b>17,199</b>	<b>12</b>	<b>24</b>	<b>36</b>
<b>Total 3080 Zone</b>			<b>232,189</b>	<b>162</b>	<b>324</b>	<b>486</b>
<b>Total 3080-Zone EDU'S</b>						<b>921</b>

---

## **APPENDIX B**

**OPINION OF PROBABLE  
CONSTRUCTION COSTS  
FOR  
3080- AND 3160-ZONES**

# OPINION OF PROBABLE CONSTRUCTION COST

**Project Name:** 3080-Zone Hook M Ranch and Wilmot Park Master Plan

**Project No.** 1184.08

**Location:** Pima County, AZ

**Description:** Wilmot Park Only

**Prepared by:** LRH **Date:** 10/6/2016

**Checked by:** MDO **Date:** 10/6/2016

**Client:** Red Rock Utilities, LLC.

Item No.	Item Description	Unit	Quantity	Unit Price	Amount	Remarks
1	325 GPM Well with hydropneumatic tank	LS	1	\$800,000	\$800,000	Includes drilling operations, 14-inch well casing, sanitary seal, well column tube and shaft, motor, and pump. Also includes on-site piping and equipment, hydropneumatic tank, on-site grading, block walls, on-site power and electrical, and telemetry.
2	325 GPM Well at Tank Site	LS	1	\$600,000	\$600,000	Includes drilling operations, 14-inch well casing, sanitary seal, well column tube and shaft, motor, pump, on-site piping and equipment. Will be located at the tank site and does not include on-site grading, block wall, site power and electrical, or telemetry.
3	505,000 gallon reservoir	LS	1	\$540,000	\$540,000	Includes steel reservoir, concrete ring wall, on-site work, on-site piping, on-site grading, and chain link fence.
4	1,825 GPM Booster Station	LS	1	\$500,000	\$500,000	Includes on-site piping and equipment, hydropneumatic tank, on-site power and electrical for booster and on-site well, and telemetry. Booster station will be located on the same site as the tank.
5	Back-Up Power	LS	1	\$85,000	\$85,000	Backup generator for booster pump station.
6	8-Inch Water Main	LF	2,000	\$75	\$150,000	Includes installation, pipe, fittings, & valves. Includes 8-inch well conveyance piping
	Sub-Total				\$2,675,000	
	25% Engineering & Contingencies				\$668,750	
	<b>Total</b>				<b>\$3,340,000</b>	

**\$9,520,000**

## OPINION OF PROBABLE CONSTRUCTION COST

**Project Name:** 3160 Zone - Hook M Ranch and Wilnot Park Master Plan  
**Project No.:** 1184.08  
**Location:** Pima County, AZ  
**Description:** Hook M Ranch Costs

**Prepared by:** LRH      **Date:** 10/6/2016  
**Checked by:** MDO      **Date:** 10/6/2016  
**Client:** Red Rock Utilities, LLC.

Item No.	Item Description	Unit	Quantity	Unit Price	Amount	Remarks
1	775 GPM Well with hydropneumatic tank	LS	1	\$950,000	\$950,000	Includes drilling operations, 16-inch well casing, sanitary seal, well column tube and shaft, motor, and pump. Also includes on-site piping and equipment, hydropneumatic tank, on-site grading, block walls, on-site power and electrical, and telemetry.
2	775 GPM Well at Tank Site	LS	1	\$750,000	\$750,000	Includes drilling operations, 16-inch well casing, sanitary seal, well column tube and shaft, motor, pump, on-site piping and equipment. Will be located at the tank site and does not include on-site grading, block wall, site power and electrical, or telemetry.
3	948,000 Gallon Tank	LS	1	\$800,000	\$800,000	Includes steel reservoir, concrete ring wall, on-site work, on-site piping, on-site grading, and chain link fence.
4	2,275 GPM Booster Station	LS	1	\$600,000	\$600,000	Includes on-site piping and equipment, hydropneumatic tank, on-site power and electrical for booster and on-site well, and telemetry. Booster station will be located on the same site as the tank.
5	Back-Up Power	LS	1	\$85,000	\$85,000	Backup generator for booster pump station.
6	8-Inch Water Main	LF	2,000	\$75	\$150,000	Includes installation, pipe, fittings, & valves. Includes 8-inch well conveyance piping.
7	12-Inch Water Main	LF	16,900	\$95	\$1,605,500	Includes installation, pipe, fittings, & valves
	Sub-Total				\$4,940,500	
	25% Engineering & Contingencies				\$1,235,125	
	<b>Total</b>				<b>\$6,180,000</b>	



# Appendix “7”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_

**Red Rock Utilities, LLC**  
**Andrada Wilmot 180 CC&N**

Balance Sheet	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Assets:</b>						
Cash	5,000	35,466	97,752	121,788	146,074	163,932
Accounts Receivable	-	5,000	10,000	15,000	20,000	25,000
Other	-	-	-	-	-	-
Current Assets	5,000	40,466	107,752	136,788	166,074	188,932
Utility Plant in Service						
101301 Organization	25,000	25,000	25,000	25,000	25,000	25,000
101303 Land & Land Rights	120,000	120,000	120,000	120,000	120,000	120,000
101307 Wells & Springs	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000
101310 Power Generation	103,500	103,500	103,500	103,500	103,500	103,500
101311 Pumping Equipment	624,000	624,000	624,000	624,000	624,000	624,000
101330 Distribution Reservoir	675,000	675,000	675,000	675,000	675,000	675,000
101331 Transmission & Distribution M	378,460	586,780	821,140	1,072,860	1,333,260	1,333,260
101333 Services	116,490	243,570	386,535	540,090	698,940	698,940
101334 Meters	44,000	92,000	146,000	204,000	264,000	264,000
101335 Hydrants	27,830	58,190	92,345	129,030	166,980	166,980
101346 Communication equipment	-	-	-	-	-	-
less Accum Depreciation	-	(179,868)	(372,739)	(580,240)	(803,453)	(1,042,921)
Net Plant In Service	3,864,280	4,098,172	4,370,781	4,663,240	4,957,227	4,717,759
Other	-	-	-	-	-	-
Fixed Assets	3,864,280	4,098,172	4,370,781	4,663,240	4,957,227	4,717,759
<b>Total Assets</b>	<b>3,869,280</b>	<b>4,138,638</b>	<b>4,478,533</b>	<b>4,800,028</b>	<b>5,123,301</b>	<b>4,906,691</b>
<b>Liabilities:</b>						
Accounts Payable	-	4,500	5,500	6,500	7,500	7,500
Notes Payable	-	-	-	-	-	-
Accrued Taxes	-	9,177	15,000	15,000	15,000	15,000
Accrued Interest	-	-	-	-	-	-
Other	-	-	-	-	-	-
Current Liabilities	-	13,677	20,500	21,500	22,500	22,500
L-T Debt	-	-	-	-	-	-
Other	-	-	-	-	-	-
Advances in Aid (AIAC) - Advance	379,280	793,040	1,258,520	1,758,480	2,275,680	2,275,680
Advances in Aid (AIAC)- Distribution	-	(8,904)	(18,335)	(26,475)	(35,150)	(45,968)
Contributions in Aid (CIAC)	-	-	-	-	-	-
Deferred Income Tax	-	-	-	-	-	-
Total L-T Debt	379,280	784,136	1,240,185	1,732,005	2,240,530	2,229,712
<b>Total Liabilities</b>	<b>379,280</b>	<b>797,813</b>	<b>1,260,685</b>	<b>1,753,505</b>	<b>2,263,030</b>	<b>2,252,212</b>
Common Stock	50,000	50,000	50,000	50,000	50,000	50,000
Paid in Capital	3,440,000	3,440,000	3,440,000	3,440,000	3,440,000	3,440,000
Contribution/Distribution	-	-	(28,252)	(159,242)	(353,682)	(636,293)
Retained Earnings	-	(149,174)	(243,900)	(284,235)	(276,048)	(199,228)
<b>Total Capital</b>	<b>3,490,000</b>	<b>3,340,826</b>	<b>3,217,848</b>	<b>3,046,523</b>	<b>2,860,270</b>	<b>2,654,479</b>
<b>Total Liabilities &amp; Capital</b>	<b>3,869,280</b>	<b>4,138,639</b>	<b>4,478,533</b>	<b>4,800,028</b>	<b>5,123,301</b>	<b>4,906,691</b>

**Red Rock Utilities, LLC**  
**Andrada Wilmot 180 CC&N**

**Red Rock Utilities, LLC**  
**Andrada Wilmot 180 CC&N**  
**Financials**

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<b>Revenue</b>						
Residential	\$ 59,921	\$ 125,290	\$ 198,829	\$ 277,816	\$ 359,526	\$ 1,021,382
Commercial/School	-	21,161	21,161	21,161	21,161	84,646
Industrial	-	-	-	-	-	-
Irrigation	7,507	15,014	22,521	30,028	37,535	112,605
Construction Water - Subdivision	18,840	18,840	18,840	18,840	37,680	113,040
Establishment Charge	2,775	3,050	3,400	3,650	3,775	16,650
Other						
<b>Total Revenue</b>	<b>89,043</b>	<b>183,355</b>	<b>264,751</b>	<b>351,495</b>	<b>459,678</b>	<b>1,348,323</b>
<b>Expenses:</b>						
Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased Water	-	-	-	-	-	-
Power Costs	1,616	3,328	4,806	6,381	8,344	24,476
Water Testing	1,500	1,500	1,500	1,500	1,500	7,500
Chemicals	500	750	1,000	1,500	2,000	5,750
Repairs & Maintenance	1,000	1,200	1,500	1,800	2,200	7,700
Office Supplies	250	350	450	500	500	2,050
Outside Services	40,440	55,080	71,400	88,920	107,160	363,000
Rents	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Other Taxes	3,000	3,000	3,000	3,000	3,000	15,000
Depreciation	179,868	192,871	207,501	223,213	239,468	1,042,921
Insurance	8,500	8,500	8,500	8,500	8,500	42,500
Income Taxes	-	-	-	-	-	-
Property Tax	543	10,501	4,430	6,994	9,186	31,654
Other Operating	1,000	1,000	1,000	1,000	1,000	5,000
<b>Total Expenses</b>	<b>238,217</b>	<b>278,081</b>	<b>305,087</b>	<b>343,308</b>	<b>382,859</b>	<b>1,547,551</b>
<b>Operating Income</b>	<b>(149,174)</b>	<b>(94,726)</b>	<b>(40,335)</b>	<b>8,187</b>	<b>76,819</b>	<b>(199,228)</b>

**Red Rock Utilities, LLC**  
**Andrada Wilmot 180 CC&N**

**Red Rock Utilities, LLC**  
**Andrada Wilmot 180 CC&N**  
**Financials**

		Original Cost	Accum Depreciation	Orig. cost less Depr
301	Organization	25,000	-	25,000
303	Land and Land Rights	120,000	(58,275)	61,725
307	Wells and Springs	1,750,000	(12,938)	1,737,063
310	Power Gen	103,500	(78,000)	25,500
311	Electric Pumping Equipment	624,000	(14,985)	609,015
330	Distribution Reservoirs & Sandpipe	675,000	(7,569)	667,431
331	Transmission and Distribution Mains	378,460	(3,879)	374,581
333	Services	116,490	(3,665)	112,825
334	Meters & Meter Installations	44,000	(557)	43,443
335	Hydrants	27,830	-	27,830
		<hr/> 3,864,280	<hr/> (179,868)	<hr/> 3,684,412

# Appendix “8”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_



**red rock utilities**

WATER • WASTEWATER • RECLAIMED WATER

May 29, 2016

Robert Tucker  
Andrada Investors, LLC  
2200 E. River Road, Suite 115  
Tucson, Az 85718

Re: Will Serve Notification – Water Service for Parcel Numbers 305-22-0030, 305-22-004A, 305-22-004B, 305-22-0050, 305-23-0140

Dear Mr. Tucker:

Red Rock Utilities, LLC (hereinafter referred to as "the Utility"), has received and reviewed your request for water service, and has determined that the subject property is not located within the boundaries of the current Certificate of Convenience and Necessity of the Utility as defined by the Arizona Corporation Commission ("ACC"). However, the Utility will provide service to the property subject to obtaining a new Certificate of Convenience and Necessity for the property from the ACC authorizing an expansion of its water service area to allow the provision of potable water service to future customers on your parcel.

The landowner will be subject to the regulations, statutes, orders and/or directives from any entity with regulatory/statutory authority over the Utility and the conditions under which it may provide service to the subject property.

We look forward to working with you in the development and implementation of your property.

Sincerely,

Red Rock Utilities, LLC

Mark Weinberg, General Manager

**ANDRADA INVESTORS, LLC**

2200 E. River Road, #115  
Tucson, AZ 85718

May 27, 2016

Mark Weinberg  
Red Rock Utilities  
General Manager  
33786 S. Spirit Lane  
Red Rock, Az 85415

Re: Water Availability Letter for Parcel Numbers 305-22-0030, 305-22-004A, 305-22-004B, 305-22-0050, 305-23-0140

Dear Mr. Weinberg:

Andrada Investors, LLC is the owner of approximately 716 acres of land located on the south side of Andrada Road between Wilmot and Houghton roads. Attached is a map of the property.

By this letter we are requesting that Red Rock Utilities provide water service to the property.

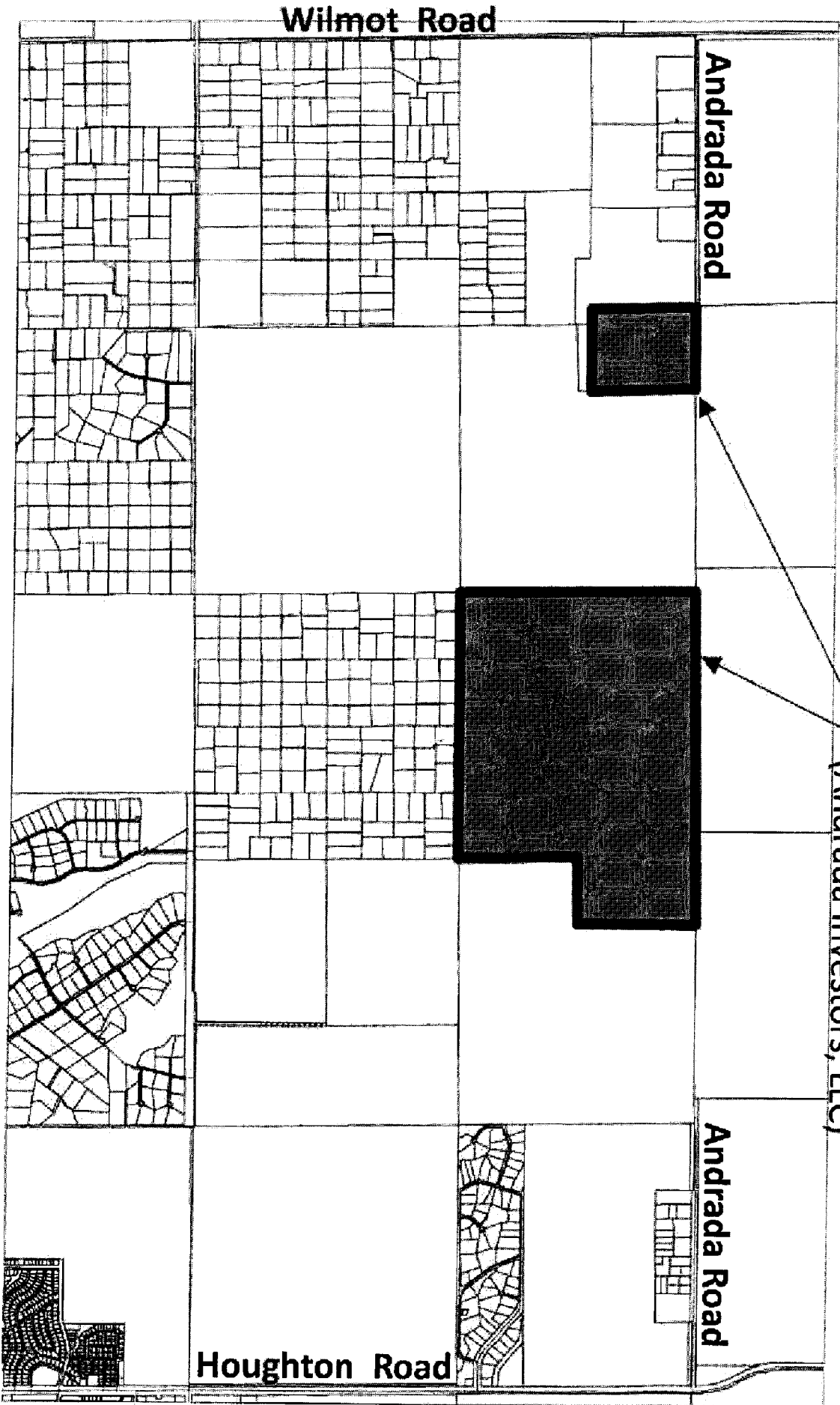
If you have any questions, please contact me at (520) 577-0200.

Sincerely,



---

Robert Tucker  
Project Manager, Diamond Ventures, Inc.  
Manager of Owner



**Subject Property**  
**(Andrada Investors, LLC)**





**red rock utilities**

WATER • WASTEWATER • RECLAIMED WATER

May 29, 2016

Robert Tucker  
Andrada Wilmot 180, LLC  
2200 E. River Road, Suite 115  
Tucson, Az 85718

Re: Will Serve Notification – Water Service for Parcel Numbers 305-23-018A, 305-23-018C, 305-23-027B & 305-23-0260

Dear Mr. Tucker:

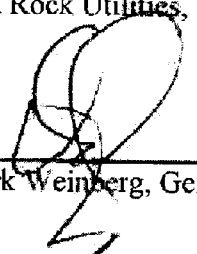
Red Rock Utilities, LLC (hereinafter referred to as "the Utility"), has received and reviewed your request for water service, and has determined that the subject property is not located within the boundaries of the current Certificate of Convenience and Necessity of the Utility as defined by the Arizona Corporation Commission ("ACC"). However, the Utility will provide service to the property subject to obtaining a new Certificate of Convenience and Necessity for the property from the ACC authorizing an expansion of its water service area to allow the provision of potable water service to future customers on your parcel.

The landowner will be subject to the regulations, statutes, orders and/or directives from any entity with regulatory/statutory authority over the Utility and the conditions under which it may provide service to the subject property.

We look forward to working with you in the development and implementation of your property.

Sincerely,

Red Rock Utilities, LLC



\_\_\_\_\_  
Mark Weinberg, General Manager

**ANDRADA WILMOT 180, LLC**

**2200 E. River Road, #115  
Tucson, AZ 85718**

May 25, 2016

Mark Weinberg  
Red Rock Utilities  
General Manager  
33786 S. Spirit Lane  
Red Rock, Az 85415

Re: Water Availability Letter for Parcel Numbers 305-23-018A, 305-23-018C, 305-23-027B & 305-23-0260

Dear Mr. Weinberg:

Andrada Wilmot 180, LLC is the owner of approximately 365 acres of land located south of Andrada Road and along the east side of Wilmot Road. Attached is a map of the property.

By this letter we are requesting that Red Rock Utilities provide water service to the property.

If you have any questions, please contact me at (520) 577-0200.

Sincerely,



---

Robert Tucker  
Project Manager, Diamond Ventures, Inc.  
Manager of Owner

**Subject Property**  
(Andrada Wilmot 180, LLC)

**Andrada Road**

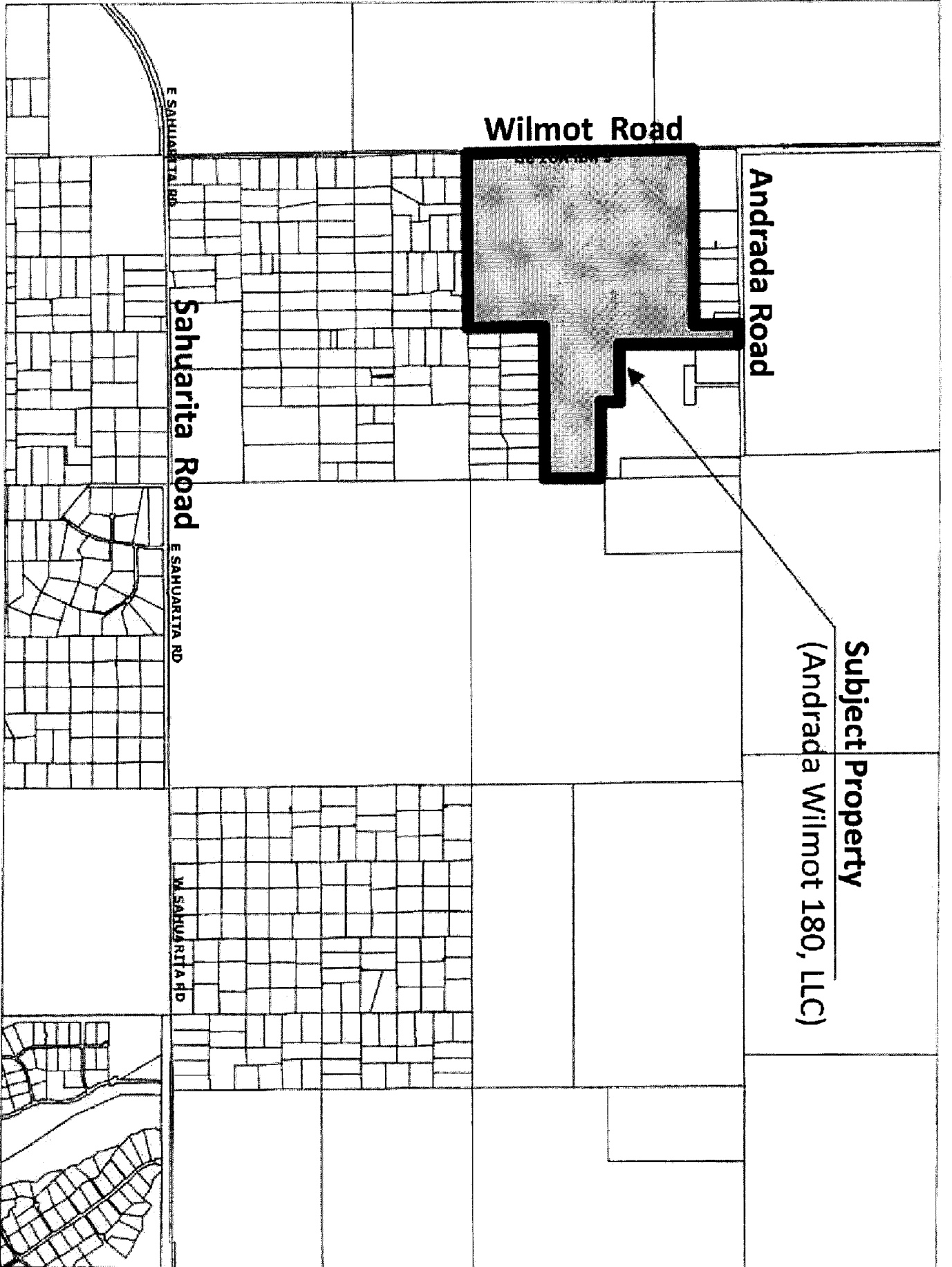
**Wilmot Road**

E SAHUARITA RD

**Sahuarita Road**

E SAHUARITA RD

W SAHUARITA RD



# Appendix “9”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_



CITY OF  
TUCSON

TUCSON WATER  
DEPARTMENT

June 1, 2016

Diamond Ventures, Inc.  
2200 E. River Road, Suite 115  
Tucson, AZ 85718-6856

Attn: Robert Tucker

**SUBJECT: Water Availability for project: Hook M. Ranch, APN: Multiple Parcels, Case #:  
WA1980, T-17, R-15, SEC-03, Lots: 9999, Location Code: UNI, Total Area: 1093.5ac**

Tucson Water is unable to provide water service to this parcel due to the fact that it does not conform to the requirements of the Tucson Water Service Area Policy. Please contact the Arizona Corporation Commission at 628-6550 for information regarding other potential water sources.

If you have any questions, please call me at New Development at 791-4718.

Sincerely,

A handwritten signature in cursive script that reads "Richard A. Sarti".

Richard A. Sarti, P.E.  
Engineering Manager  
Tucson Water Department

RS:ka  
CC: File



NEW DEVELOPMENT • P.O. BOX 27210 • TUCSON, AZ 85726-7210  
(520) 791-4718 • FAX (520) 791-2501 • TDD (520) 791-2639 • [www.tucsonaz.gov/water](http://www.tucsonaz.gov/water)



# Appendix “10”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_

**Red Rock Utilities, LLC**  
**Andrada Wilmot 180 CC&N**

**Proposed Rates:**

Monthly Usage Charge:

5/8" x 3/4"	\$	25.00
3/4"	\$	37.50
1"	\$	62.50
1 1/2"	\$	125.00
2"	\$	200.00
3"	\$	400.00
4"	\$	625.00
6"	\$	1,250.00

Commodity Rates - per 1,000 Gallons:

5/8"x3/4" Meter - all classes except irrigation		
From 1 to 5,000 gallons	\$	2.40
From 5,001 to 10,000 gallons	\$	3.15
Over 10,000 Gallons	\$	4.07

5/8"x3/4" Meter - irrigation		
From 1 to 10,000 gallons	\$	3.15
Over 10,000 Gallons	\$	4.07

3/4" Meter - all classes except irrigation		
From 1 to 10,000 gallons	\$	3.15
Over 10,000 Gallons	\$	4.07

1" Meter - all classes except irrigation		
From 1 to 20,000 gallons	\$	3.15
Over 20,000 Gallons	\$	4.07

1 1/2" Meter - Residential, Commercial & Industrial		
From 1 to 50,000 gallons	\$	3.15
Over 50,000 Gallons	\$	4.07

2" Meter - Residential, Commercial & Industrial		
From 1 to 90,000 gallons	\$	3.15
Over 90,000 Gallons	\$	4.07

3" Meter - Residential, Commercial & Industrial		
From 1 to 200,000 gallons	\$	3.15
Over 200,000 Gallons	\$	4.07

4" Meter - Residential, Commercial & Industrial		
From 1 to 300,000 gallons	\$	3.15
Over 300,000 Gallons	\$	4.07

**Red Rock Utilities, LLC**  
**Andrada Wilmot 180 CC&N**

6" Meter - Residential, Commercial & Industrial		
From 1 to 500,000 gallons	\$	3.15
Over 500,000 Gallons	\$	4.07

**Service Charges:**

Establishment	\$	25.00
Reconnection	\$	30.00
Meter Test (if Correct)	\$	30.00
Meter Reread (if Correct)	\$	15.00
Minimum Deposit		*
Deposit Interest		*
Reestablishment (Within 12 months)		**
NSF Check	\$	25.00
Deferred Payment (per month)		1.50%
Late Payment Charge per month		1.50%
After Hours Service Charge (at Cust. Req.) flat rate	\$	50.00
Charged for moving meter at Cust. Req.	Cost	

\*per Commission rule A.A.C. R-14-2-403(B)

\*\* Months off system times the monthly minimum per Commission rule A.A.C. R14-2-403(D)

**Service Line and Meter Installation Charges**

(Refundable pursuant to A.A.C. R14-2-405)

Meter Size	Service Line	Meter	Total
5/8" x 3/4"	\$ 355.00	\$ 45.00	\$ 400.00
3/4"	355.00	85.00	440.00
1"	405.00	95.00	500.00
1 1/2"	440.00	275.00	715.00
2" Turbine	600.00	570.00	1,170.00
2" Compound	600.00	1,100.00	1,700.00
3" Turbine	775.00	810.00	1,585.00
3" Compound	815.00	1,375.00	2,190.00
4" Turbine	1,110.00	1,430.00	2,540.00
4" Compound	1,170.00	2,045.00	3,215.00
6" Turbine	1,670.00	3,145.00	4,815.00
6" Compound	1,710.00	4,560.00	6,270.00
Over 6"	Cost	Cost	Cost



# Appendix “11”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_

*Verano Francisco Aguent*  
*Stamp*

ORIGINAL

0000086572

LAWRENCE V. ROBERTSON, JR.  
ATTORNEY AT LAW

P. O. Box 1448  
TUBAC, ARIZONA 85646

(520) 398-0411  
FAX: (520) 398-0412  
EMAIL: TUBACLAWYER@AOL.COM

OF COUNSEL TO  
MUNGER CHADWICK, P.L.C.

ADMITTED TO PRACTICE IN  
ARIZONA, COLORADO, MONTANA,  
NEVADA, TEXAS, WYOMING,  
DISTRICT OF COLUMBIA

July 10, 2008

Docket Control  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

Re: Red Rock Utilities, LLC  
Docket No. WS-04245A-07-0363

To Whom It May Concern:

Pursuant to Finding Of Fact No. 23 and the First Ordering Paragraph of Decision No. 70030, enclosed for filing as a compliance item in the above-referenced docket are fourteen (14) copies of a Pima County Public Utility License Agreement ("Agreement") on behalf of Red Rock Utility, LLC. In that regard, please note that the Docket Number of this proceeding appears at the upper right hand corner of the first page of the Agreement.

Also enclosed are two (2) additional copies of the Agreement. I would appreciate it if you would "filed" stamp the same and return them to me in the enclosed stamped and addressed envelope. Thank you for your assistance. Please advise me if you have any questions.

Sincerely,

*Angela R. Trujillo*

Angela R. Trujillo

Secretary

Lawrence V. Robertson, Jr.

2008 JUL 11 AM 10:25

2008 JUL 11 AM 10:25

RECEIVED



REAL PROPERTY SERVICES

201 N. Stone Avenue, Sixth Floor, Tucson, Arizona 85701-1215  
(520) 740-6313 FAX (520) 740-6763

*Ucrano Franchise  
Agreement  
"not stamped"*

June 18, 2008

Diamond Ventures  
Attn: Mark Weinberg  
2200 E. River Road, #115  
Tucson, AZ 85718

Re: Red Rock Utilities, LLC

Dear Mr. Weinberg,

Enclosed is a copy of the recorded Pima County Public Utility License Agreement for your records.

Thank you for your cooperation in this matter.

Sincerely,

*Debbie Knutson*

Debbie Knutson  
Sr. Administrative Specialist

Enclosure

PCREA  
PIMA CO REAL PROPERTY SERVICES  
PICK UP  
ATTN LISA



# PIMA COUNTY PUBLIC UTILITY LICENSE AGREEMENT

**Section 3. Regulation of County Rights-of-Way.** All rights hereunder are granted under the express condition that County shall have the power at any time to impose restrictions and limitations, and to make regulations as to Licensee's use of the County's rights-of-way as may be deemed best for the public interests, safety or welfare.

**Section 4. Superior Rights.** The rights of County in and to the use of all public rights-of-way located within the unincorporated areas of Pima County are and forever shall be paramount and superior to the rights of Licensee.

**Section 5. Alteration of Public Rights-of-Way.** Nothing in this License shall be construed to prevent County from, altering, improving, adjusting, repairing, or maintaining its facilities and public rights-of-way and for that purpose to require Licensee to adjust, remove, replace or relocate Licensee's facilities to accommodate or facilitate the County's use of its facilities or rights-of-way. Facilities of Licensee shall mean any physical object or improvement owned, possessed, made, installed, constructed or maintained by Licensee or made, installed or constructed by County or others at the request of Licensee. Facilities of County shall mean any physical object or improvement owned, possessed, made, installed, maintained or constructed by County or others at the request of County, including all paving, highway, transportation, flood control and wastewater facilities located within County rights-of-way.

**Section 6. Non-Exclusive Use.** Nothing in this agreement shall be construed to grant Licensee an exclusive right to use the public rights-of-way. Licensee's facilities shall be erected, adjusted, installed, replaced, removed, relocated and maintained in a manner that will not interfere with the reasonable use of the public rights-of-way by the public, the County, or any other franchisee or licensee. The location of Licensee's facilities in the public rights-of-way shall not create or establish a vested interest in the rights-of-way and its facilities shall be removed or relocated by Licensee whenever County determines that Licensee's facilities impact, restrict, obstruct or hinder the County or the public's existing or future use of the rights-of-way or the County's operation or location of County facilities.

**Section 7. Relocation.** Licensee shall be solely responsible for the design, adjustment, removal or relocation, temporarily or permanently, of all Licensee's facilities that impact, conflict or interfere with the County's use of its rights-of-way or the County's improvement, relocation or adjustment of any facilities located in County rights-of-way. The cost of designing, adjusting, removing, relocating or replacing Licensee's facilities shall be Licensee's sole responsibility, unless Licensee has established prior rights with the County for the facilities to be affected. Prior to beginning any activity in the County rights-of-way, Licensee shall obtain all required permits from the County and any other applicable jurisdiction for the activity. The Licensee's facilities shall be adjusted, removed, replaced or relocated by Licensee in accordance with an activity schedule determined by County and provided to Licensee within a reasonable period of time prior to the scheduled activity start date. If the schedule is unacceptable to the Licensee or Licensee finds it necessary to plead financial hardship regarding the cost of relocating its facilities, the Licensee may appeal to the Board of Supervisors. If Licensee's facilities are not adjusted, removed, replaced or relocated within the time period allotted by the County's activity schedule, County may, at its discretion, adjust or relocate Licensee's facilities. Licensee hereby agrees to be liable for all costs incurred by County for the adjustment or relocation of Licensee's facilities necessitated by County's activities, including overhead and maintenance costs and an administrative surcharge in the amount of fifteen (15) percent of the total cost attributed to the adjustment or relocation of Licensee's facilities. In the event County incurs such costs, County shall submit a bill to Licensee for the incurred costs, and Licensee shall pay County the invoiced amount within ninety (90) calendar days of receipt of the invoice. If the invoice is not timely

paid by Licensee, all rights granted to Licensee under this agreement shall be suspended and no permits will be issued to Licensee for any work within the County rights-of-way until the invoiced costs are paid in full to County.

**Section 8. Undergrounding.** The parties acknowledge that County has the authority to require Licensee to underground its above ground facilities in County rights-of-way when the County determines that undergrounding of Licensee's facilities is necessary to conform to existing County Ordinances or is in the public interest. The County may require Licensee to conduct a study of the cost of undergrounding any portion or segment of Licensee's facilities located in the County rights-of-way. The study shall set forth an estimate of the costs of undergrounding Licensee's facilities including a breakdown of the cost allocated to labor, material, design and construction for converting above ground facilities to underground facilities. The Licensee shall submit a cost study for any specified segment of Licensee's facilities within ninety (90) calendar days after receiving written notice from County requesting the cost study. The cost of preparing and providing any cost study requested by County shall be borne by the Licensee.

**Section 9. Scenic Routes.** The installation of Licensee's facilities within any public rights-of-way designated by the Board of Supervisors as a scenic route must be constructed in accordance with the County's Scenic Routes Ordinance.

**Section 10. Performance of Work.** The work required by Licensee to design, construct, reconstruct, pothole for design, adjust, relocate, replace or repair Licensee's facilities shall be Licensee's sole responsibility. The cost of any delays to County projects caused by Licensee's failure to complete its work in accordance with the County's activity schedule shall be the Licensee's sole responsibility. In the event County incurs such costs, County shall submit a bill to Licensee for the incurred costs and Licensee shall pay County the invoiced amount within ninety (90) calendar days of receipt of the invoice. If the invoice is not timely paid by Licensee, all rights granted to Licensee under this agreement shall be suspended and no permits will be issued to Licensee for any work within the County rights-of-way until the invoiced costs are paid in full to County.

**Section 11. Location of Facilities.** As a condition of this License, Licensee hereby agrees to have and maintain precise, up-to-date maps of Licensee's facilities located in County rights-of-way and to make this information available to County within fifteen (15) calendar days of receiving a written request from the County. Beginning on the effective date of this Agreement, Licensee shall maintain precise and verifiable horizontal and vertical location information tied to an accepted County datum and provide such information to the County within fifteen (15) calendar days of receiving written notice from County. As a condition of the issuance of this License, Licensee agrees to provide surface location marking of Licensee's undergrounded facilities located within the public rights-of-way within two working days of a request from the County. In the event the Licensee is unable to provide the location information to County within the allotted time frame, County may, at its discretion, locate Licensee's facilities and Licensee shall be liable for the cost incurred in locating Licensee's facilities.

## **Section 12. Work in Rights-of-Way.**

12.1. *Damage to other facilities.* In the construction, adjustment, removal, relocation, repair, operation and maintenance of its facilities, Licensee shall avoid causing or permitting any damage, disturbance or unnecessary modification or alteration to County facilities including pavement, or the facilities of others, located in the County rights-of-way. If Licensee causes or permits any such damage, disturbance or unnecessary alteration or modification, Licensee, at its sole expense and in a manner approved by the County Engineer, shall restore the damaged, disturbed, altered, or modified facilities to the condition in which they existed before being damaged, disturbed, modified, or altered. Licensee shall also be liable to owners of said facilities for any other losses or expenses which may accrue because of said damage, disturbance, modification or alteration. The restoration of facilities shall be initiated promptly and completed expeditiously by Licensee, who shall give priority to the restoration, repair or replacement of such facilities over all non-emergency activities of Licensee.

12.2. *Damage to vegetation.* In the construction, adjustment, removal, relocation, repair, operation and maintenance of its facilities, Licensee shall use all necessary care to avoid any damage to or disturbance of existing vegetation in the public rights-of-way. If Licensee causes or permits any such damage or disturbance, Licensee shall re-vegetate the rights-of-way at its sole expense and in accordance with all County regulations then in effect.

12.3. *Adjacent properties.* Licensee shall provide prior written notice to the owners or residents of adjoining properties of any activity of Licensee which may temporarily interfere with access to or use of said adjoining property. Licensee shall maintain access to adjoining properties during all construction activities or other operations, unless the requirement of access is waived in writing by the owners and residents of adjoining properties. If an emergency requires activity without written notice, Licensee shall use its best efforts to provide timely actual notice to the owners and residents of the adjoining properties.

## **Section 13. Design and Location of Facilities.**

13.1. Licensee shall use reasonable care at all times to avoid damage or injury to persons and property during the construction, adjustment, removal, relocation, repair, operation and maintenance of Licensee's facilities.

13.2. The location and construction of Licensee's facilities in public rights-of-way shall conform to County standards and guidelines then in effect and as may be directed by County, in order not to interfere with a planned future use of the public rights-of-way by the County.

13.3. Licensee's facilities shall be located in a manner designed to cause the least amount of interference with the public's existing or future use of roads, streets, alleys and other public rights-of-way and in such a way as will minimize interference with the rights and convenience of adjacent property owners.

13.4. County may require Licensee to remove, relocate or underground, at Licensee's sole expense, any of Licensee's facilities that present a potential hazard to the public, that

interfere with the public's use of the public rights-of-way, or are determined by County to be aesthetically undesirable.

13.5. Licensee shall be responsible for notifying owners or residents of adjoining properties in writing about permanent or temporary above or below ground facilities to be constructed in the County rights-of-way. Licensee shall make every reasonable effort to resolve the concerns of property owners and residents regarding the construction of Licensee's facilities. Should the County determine that Licensee failed to reasonably evaluate all options available to alleviate residents concerns, County may require the Licensee to relocate its facilities at Licensee's sole expense.

13.6. Licensee shall be responsible for the cost to excavate in a "careful and prudent manner" Licensee's underground facilities pursuant to A.R.S. § 40-360.21 and § 40-360.22A on all County construction projects occurring within County rights-of-way.

**Section 14. Construction Safety.** Any opening or obstruction in the public rights-of-way caused by Licensee during the course of Licensee's activities in the rights-of-way shall be guarded and protected at all times by safety barriers erected by Licensee which shall be clearly designated by warning lights during periods of dusk and darkness. Any work performed by Licensee in or adjacent to a public roadway open for travel shall be properly signed and marked by Licensee with warning and directional devices in accordance with all applicable state and local traffic regulations and in accordance with the Arizona Department of Transportation's Traffic Control Manual for Highway Construction and Maintenance.

**Section 15. Drainage.** During construction or excavation in the public rights-of-way, Licensee shall provide proper drainage so that the public rights-of-way will be free from standing surface water and adequately drained so as not to cause flood or erosion damage to the facilities of the County or surrounding property. Licensee may be required, at the request of the County, to submit drainage engineering data and design plans to the County for review and approval prior to the issuance of any Right-of-Way Use Permit by County.

**Section 16. Issuance of Permit not County Approval.** County's review, approval or acceptance of plans or specifications or issuance of a permit for the installation, construction or location of a facility by Licensee shall not be construed to be an authorization for or approval of a violation of any federal, state or local law or regulation, or any industry standard, pertaining to the location or construction of a utility facility in public rights-of-way. No permit or approval presuming to give such authority shall be valid or otherwise relieve Licensee of its obligations under this License regarding the location and construction of facilities.

**Section 17. County Inspection.** County, if it deems necessary, has the right to inspect any work by Licensee in the public rights-of-way to insure proper performance of the terms of this License and conformance with any applicable federal, state and local laws, ordinances and regulations. County may require Licensee to pay a reasonable and uniform fee to cover the actual costs of inspections performed by County or its contractor under this provision. County may, at its discretion, pothole Licensee's facilities to verify conformance with *Section 11. Location of Facilities* of this License. Licensee shall be liable for the cost of potholing and an



administrative surcharge in the amount of fifteen (15) percent of the total cost of potholing should Licensee's facilities be out of conformance. Licensee shall be responsible for taking corrective action to bring as-builts into conformance with verified facilities.

**Section 18. Abandonment of Facilities.** Abandonment in place, of any of Licensee's facilities located within the County rights-of-way may only occur by acquiring written approval from the County.

**Section 19. Liability and Indemnity.** Licensee acknowledges its sole liability for its facilities installed in the public rights-of-way and for any activities it performs within the public rights-of-way. Licensee agrees to indemnify, hold harmless, and defend the County, its officials, agents, servants, and employees against all claims for injuries to persons or damage to property arising out of Licensee's work in the public rights-of-way or due to the existence of Licensee's facilities in the public rights-of-way, or in any way related to Licensee's exercise of its rights under this License. Neither the issuance of a County permit for installation or location of a facility, nor County approval of the activity, installation or location, nor the failure of the County to direct Licensee to take any precautions or make any changes or to refrain from doing anything shall excuse Licensee of its responsibilities hereunder to County or others in the case of any injury to persons or damage to property. If County is sued in any court by any person, firm, association or corporation to recover damages for injuries to person or property on account of the installation, repairing, operation and maintenance of facilities of Licensee, Licensee shall defend all such suits and pay any resulting judgments and shall, at the option of County, be made a party to any such court proceeding.

**Section 20. County Participation in Legal Actions.** The County shall have the right at all times to take part in any suit or action instituted by or against Licensee in which any judgment or decree can be rendered or foreclosing any lien on any of Licensee's property situated within public rights-of-way, or affecting the rights, powers or duties of Licensee to do or not to do anything which by this License it may be required to do or not to do, and also to take such steps as the County may deem essential to protect the interests of County or the public interest. County shall have the right to intervene in any suit, action, or proceeding by any person or persons, firm or corporation seeking to enjoin, restrain, or in any manner interfere with Licensee in the performance or observance by it of any of the terms or conditions of this License, or any regulation, notice or direction of County in such connection, or which involves or might involve the constitutionality, validity or enforcement of this License. County may also move for dissolution of any such injunction or restraining order or take any other appropriate step, in any such suit, action or proceeding which it may deem necessary or advisable to protect its interests.

**Section 21. Compliance with License Conditions and Ordinances.** Licensee agrees to conform to, abide by, and perform all the conditions, provisions, requirements, and limitations in this License Agreement. Licensee shall be subject to all County ordinances now in force or hereafter adopted, including all ordinances relating to the use of public rights-of-way by utilities. Licensee agrees that it will not assert any claim against the County that the provisions of this License or any applicable County ordinance or regulation in force at the time of execution of this License are unreasonable, arbitrary or void.



LICENSEE: Rad Rock Utilities, LLC

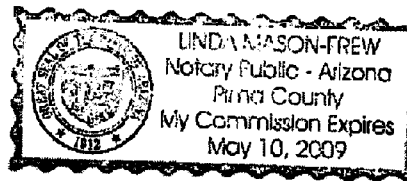
By: [Signature]  
Title: Mark Weinberg, Vice-President  
Diamond Ventures, Inc.  
Manager, Red Rock Utilities, LLC

State of Arizona       )  
                                  )  
County of Pima       )       ss


This instrument was acknowledged before me this 17th day of March, 2008 by Mark Weinberg as Vice-President of Diamond Ventures, Inc., Manager of Red Rock Utilities, LLC, an Arizona limited liability company.

Linda Mason-Frew  
Notary Public

My Commission Expires:  
5/10/09



197714 000171

  
Chairman, Pima County Board of Supervisors

Date: MAY 20 2008

*Siri Goddard*  
Clerk, Pima County Board of Supervisors

Deputy County Attorney

000000 000000

# Appendix “12”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_

# STATE OF ARIZONA

Department of Revenue  
Property Tax Division  
(602) 716-6843  
Fax (602) 542-4425



October 20, 2016

Diamond Ventures, Inc.  
2200 E. River Rd., Ste 115  
Tucson, AZ 85718

Douglas A. Ducey  
Governor

David Briant  
Director

RE: Red Rock Utilities, Inc.- Andrada Wilmot 180; Property Tax Estimate

Dear Mr. Deatherage,

As requested, I am providing an estimated property tax burden for the newly formed Andrada Wilmot 180 water utility system. This estimate is based on projected financial data as provided by the taxpayer. This is a summary report, for a more detailed description of my calculations please contact me directly.

Red Rock Utilities, Inc  
Andrada Wilmot 180  
Projected Property Tax

Calendar Year	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
CWIP	\$3,864,280					
Land Value <sup>1</sup>	\$ 20,000	\$ 20,000				
Gross Revenue	\$ -	\$ 81,511	\$ 175,848	\$ 249,712	\$ 328,949	\$ 437,157
Full Cash Value	\$ -	\$ -	\$ 386,428	\$ 163,022	\$ 257,359	\$ 338,048
Assessment Ratio <sup>2</sup>	0.15	0.18	0.18	0.18	0.18	0.18
Assessed Value	\$ 3,000	\$ 3,600	\$ 69,557	\$ 29,344	\$ 46,325	\$ 60,849
Tax Rate per 100 <sup>3</sup>	15.0972	15.0972	15.0972	15.0972	15.0972	15.0972
Estimated Tax	\$ 453	\$ 543	\$ 10,501	\$ 4,430	\$ 6,994	\$ 9,186

<sup>1</sup>The land value will be the basis of assessment for Year 0 and Year 1. Land value will be determined solely by the Pima County Assessor's office. The taxpayer has reported that the utility operating land has not yet been split from the developer parcel and the County Assessor has not yet identified nor valued the projected operating land.

<sup>2</sup>For Year 0 the assessment will be based on land value assessed at the vacant land assessment ratio currently at 15%. When the property is re-classified as a centrally valued utility the assessment ratio will increase to 18%.

<sup>3</sup>The tax rate used for this estimate is the tax year 2016 rate for Pima County tax area code 2000.

Sincerely,

Shawn Casey  
Property Appraiser  
[scasey@azdor.gov](mailto:scasey@azdor.gov)  
602-716-6290

# Appendix “13”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_



**PIMA COUNTY**

**WASTEWATER RECLAMATION**  
201 NORTH STONE AVENUE  
TUCSON, ARIZONA 85701-1207

**JACKSON JENKINS**  
DIRECTOR

PH: (520) 724-6500  
FAX: (520) 724-9635

May 25, 2016

Robert Tucker  
Diamond Ventures, Inc.  
2200 E. River Road, Suite 115  
Tucson, AZ 85718

**RE: Hook "M" Development, Parcel Numbers 305-22-0030, 305-22-004A, 305-22-004B, 305-22-0050, 305-23-0140, 305-23-018A, 305-23-018C, 305-23-027B & 305-23-0260**

This letter is notification that the Pima County Regional Wastewater Reclamation Department (PCRWRD) is the Designated Management Agency for this service area. The above referenced project is planned to be tributary to the Corona de Tucson Water Reclamation Facility.

RWRD will provide conveyance and treatment service to this project based on the subject zoning of the parcels. This letter does not guarantee that conveyance or treatment capacity for this project is currently available. The developer's responsibility will be to enhance or modify the existing system to meet that demand, including the design and construction of any pump stations, force mains and/or delivery lines from the property to the treatment facilities, as well as any necessary improvements to those facilities.

The developer will negotiate a Master Sewer Service Agreement with PCRWRD, prior to recordation of the master block plat for the subject property, which shall specifically identify the design, bid, construction, acceptance, administration, operation and maintenance requirements for the wastewater improvements to serve that property.

Respectfully,

Jackson Jenkins  
Director



# Appendix “14”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_



**red rock utilities**

WATER • WASTEWATER • RECLAIMED WATER

April 5, 2016

RE: Red Rock Utilities, LLC  
Docket No. WS-04245A-14-0295  
ACC Decision No. 75163

To whom it may concern:

Red Rock Utilities, LLC hereby submits the attached Best Management Practices (BMP's) in compliance with Decision No. 75163.

Please note that messages on each invoice will be sent to customers on April 15<sup>th</sup>, 2016 (received by customers the week of April 18<sup>th</sup>) that state the effective date of the attached BMP Tariffs is Wednesday May 25<sup>th</sup>, 2016.

RESPECTFULLY SUBMITTED this 5th day of April, 2016

Mark Weinberg, General Manager  
Red Rock Utilities, LLC  
2200 E. River Road, Ste 115  
Tucson, AZ 85718

## **Local and/or Regional Messaging Program Tariff – BMP 1.1**

### **PURPOSE**

A program for the Company to actively participate in a water conservation campaign with local or regional advertizing (Modified Non-Per Capita Conservation Program BMP Category 1: Public Awareness/Public Relations 1.1: Local and/or Regional Messaging Program).

### **REQUIREMENTS**

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company or designated representative shall actively participate in water conservation campaign with local and/or regional advertising.
2. The campaign shall promote ways for customers to save water.
3. The Company shall facilitate the campaign through one or more of the following avenues (not an all inclusive list):
  - a. Television commercials
  - b. Radio commercials
  - c. Websites
  - d. Promotional materials
  - e. Vehicle signs
  - f. Bookmarks
  - g. Magnets
4. The Company shall keep a record of the following information and make it available to the Commission upon request.
  - a. A description of the messaging program implemented and program dates.
  - b. The number of customers reached (or an estimate).
  - c. Costs of Program implementation.

## **New Homeowner Landscape Information Tariff – BMP 2.3**

### **PURPOSE**

A program for the Company to promote the conservation of water by providing a landscape information package for the purpose of educating its new customers about low water use landscaping (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.3: New Homeowner Landscape Information).

### **REQUIREMENTS:**

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. Upon establishment of water service the Company shall provide a free "Homeowner Landscape Packet" to each new customer in the Company's service area. The packet will include at a minimum: a cover letter describing the water conservation expectations for all customers in the Company's service area, all applicable tariffs, a basic interior-exterior water saving pamphlet, xeriscape landscape information, and information on where to find low water use plant lists, watering guidelines, and a rain water harvesting pamphlet.
2. Upon customer request, the Company shall provide:
  - a. On-site consultations on low water use landscaping and efficient watering practices.
  - b. A summary of water saving options.
3. The number of packets provided to new customers will be recorded and made available to the Commission upon request.

## **Water Waste Investigations and Information Tariff – BMP 3.8**

### **PURPOSE**

A program for the Company to assist customers with water waste complaints and provide customers with information designed to improve water use efficiency (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.8: Water Waste Investigations and Information).

### **REQUIREMENTS**

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission specifically R14-2-403 and R14-2-410 and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company shall handle water waste complaints as calls are received.
2. Calls shall be taken by a customer service representative who has been trained to determine the type of water waste and to determine if it may be attributed to a leak or broken water line.
3. The Company shall follow up on every water waste complaint.
4. Upon request by the customer or when the Company determines it is warranted, a trained Field Technician shall be sent to investigate further and notify the responsible party of the waste and offer assistance and information to prevent waste in the future.
5. A letter of enforcement will be issued to customers with water running beyond the curb and/or off the customers property due to such things as, but not limited to, backwashing of pools, broken sprinkler heads, and over watering of lawns beyond the saturation point.
6. The same procedures outlined above in item #4 will be followed in the event of a second violation. Termination of service may result in the event of the third violation within a 12 month period. In the event of a third violation the customer's service may be terminated per Arizona Administrative Code R14-2-410C, R14-2-410D and R14-2-410E (applicable service reconnection fees shall apply).
7. The Company shall record each account and each instance noted for water waste, the action taken and any follow-up activities.
8. Subject to the provisions of this tariff, compliance with the water waste restriction will be a condition of service.
9. The Company shall provide to its customers a complete copy of this tariff and all attachments upon request and to each new customer. The customer shall abide by the water waste restriction.
10. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

## **WATER SYSTEM TAMPERING TARIFF – BMP 5.2**

### **PURPOSE**

The purpose of this tariff is to promote the conservation of groundwater by enabling the Company to bring an action for damages or to enjoin any activity against a person who tampers with the water system.

### **REQUIREMENTS:**

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission, specifically Arizona Administrative Code ("AAC") R14-2-410 and the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. In support of the Company's water conservation goals, the Company may bring an action for damages or to enjoin any activity against a person who: (1) makes a connection or reconnection with property owned or used by the Company to provide utility service without the Company's authorization or consent; (2) prevents a Company meter or other device used to determine the charge for utility services from accurately performing its measuring function; (3) tampers with property owned or used by the Company; or (4) uses or receives the Company's services without the authorization or consent of the Company and knows or has reason to know of the unlawful diversion, tampering or connection. If the Company's action is successful, the Company may recover as damages three times the amount of actual damages.
2. Compliance with the provisions of this tariff will be a condition of service.
3. The Company shall provide to all its customers, upon request, a complete copy of this tariff and AAC R14-2-410. The customers shall follow and abide by this tariff.
4. If a customer is connected to the Company water system and the Company discovers that the customer has taken any of the actions listed in No. 1 above, the Company may terminate service per AAC R14-2-410.
5. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

## **Water Use Plan For New Non-Residential Users Tariff – BMP 5.13**

### **PURPOSE**

A program for the Company to require all new commercial, industrial, and institutional users who have annual projected water use of ten acre-feet or more per year to submit a water use plan that identifies all water uses anticipated by the user, and the water efficiency measures associated with the uses (Modified Non-Per Capita Conservation Program BMP Category 5: Ordinances/Conditions of Service/Tariffs 5.13: Requiring a Water Use Plan).

### **REQUIREMENTS:**

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission, specifically A.A.C. R14-2-403 and R14-2-410 and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. Subject to the provisions of this tariff, as a condition of service all new commercial, industrial and institutional users with a projected annual water use requirement of five acre-feet (1,629,250 gallons) or more per year, will be required to submit a water use plan which identifies all water uses anticipated by the user and the water efficiency measures associated with the uses.
2. The water use plan submitted by users must include at least three of the following measures:
  - a. Statement of water efficiency policy,
  - b. Water Conservation education/training for employees,
  - c. Identification of on-site recycling and re-use strategies,
  - d. Total cooling capacity and operating Total Dissolved Solids or conductivity for cooling towers,
  - e. Identification of best available technologies used for process, cooling and domestic water uses,
  - f. Landscape watering system distribution uniformity and landscape water budget, and/or
  - g. Total annual water budget for the facility.
3. The Company shall provide to all new commercial, industrial, and institutional customers a complete copy of this tariff and all attachments upon request for service. The customer shall follow and abide by this tariff.
4. If after a customer has been connected to the Company water system, the Company discovers that the customer has, for example, installed turf or water-use intensive features contrary to its water use plan, the Company shall notify (in writing) the customer of such violation and provide the customer with the appropriate educational materials informing the customer of some possibilities of how to correct the problem. The customer shall be allowed sixty (60) days to come into compliance with his or her

Company: Red Rock Utilities, LLC

Decision No.: 75163

Phone: 1-866-940-1102

Effective Date: May 25, 2016

plan requirements. If after sixty (60) days the customer is not in compliance with his or her plan requirements, the customer's service may be terminated per Arizona Administrative Code R14-2-410C, R14-2-410D and R14-2-410E.

5. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.



# Appendix “15”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_

# ORIGINAL

Company Name: Red Rock Utilities, LLC

Page 1 of 2

## CROSS-CONNECTION OR BACKFLOW TARIFF

### PURPOSE:

The purpose of this tariff is to protect Red Rock Utilities, LLC (Company) water from the possibility of contamination caused by the backflow of contaminants that may be present on the customer's premises by requiring the installation and periodic testing of backflow-prevention assemblies pursuant to the provisions of the Arizona Administrative Code (A.A.C.) R14-2-405.B.6 and A.A.C. R18-4-115.

### REQUIREMENTS:

In compliance with the Rules of the Arizona Corporation Commission (Commission) and the Arizona Department of Environmental Quality (ADEQ), specifically A.A.C. R14-2-405.B.6 and A.A.C. R18-4-115 relating to backflow prevention:

1. The Company may require a customer to pay for and to have installed a backflow-prevention assembly if A.A.C. R18-4-115.B or C applies.
2. A backflow-prevention assembly required to be installed by the customer under Paragraph 1 of this tariff shall comply with the requirements set forth in A.A.C. R18-4-115.D and E.
3. Subject to the provisions of A.A.C. R14-2-407 and 410, and in accordance with Paragraphs 1 and 7 of this tariff, the Company may terminate service or may deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff.
4. The Company shall give any existing customer who is required to install a backflow-prevention assembly written notice of said requirement. If A.A.C. R14-2-410.B.1.a. is not applicable, the customer shall be given thirty (30) days from the time such written notice is received in which to comply with this notice. If the customer can show good cause as to why he cannot install the device within thirty (30) days, the Company or Commission Staff may suspend this requirement for a reasonable period of time.

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**\*\*FOR OFFICIAL USE ONLY\*\***

Effective: 12.27.04

APPROVED FOR FILING  
DECISION #: 67409

# ORIGINAL

Effective Date: December 27, 2004

Company Name: Red Rock Utilities, LLC

Page 2 of 2

5. Testing shall be in conformance with the requirements of A.A.C. R18-4-115.F. The Company may require the customer to pay to have the backflow-prevention assembly tested as long as the Company does not require an unreasonable number of tests.
6. The customer shall provide the Company with records of installation and testing. For each backflow-prevention assembly, these records shall include:
  - a. assembly identification number and description;
  - b. location;
  - c. date(s) of tests(s);
  - d. description of repairs and recommendations for repairs made by tester; and
  - e. the tester's name and certificate number.
- 7A. In the event the backflow-prevention assembly does not function properly or fails any test, and an obvious hazard as contemplated under A.A.C. R14-2-410.B.1.a. exists, the Company may terminate service immediately and without notice. The backflow-prevention assembly shall be repaired or replaced by the customer and retested.
- 8A. In the event the backflow-prevention assembly does not function properly or fails any test, or in the event that a customer fails to comply with the testing requirement, and A.A.C. R14-2-410.B.1.a. is **not** applicable, the backflow-prevention assembly shall be repaired or replaced within fourteen (14) days of the initial discovery of the deficiency in the assembly or its function. Failure to remedy the deficiency or dysfunction of the assembly, or failure to retest, shall be grounds for termination of water service in accordance with A.A.C. R14-2-410.

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**\*\*FOR OFFICIAL USE ONLY\*\***

Effective Date: \_\_\_\_\_

APPROVED FOR FILING  
DECISION #: 67409

# Appendix “16”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_

## TARIFF SCHEDULE

ORIGINAL

Utility: Red Rock Utilities, LLC  
Docket No.: WS-04245A-04-0184  
Phone No.: (520) 577-0200

Tariff Sheet No.: 1 of 4  
Decision No.: 67409  
Effective: December 27, 2004

**CURTAILMENT PLAN FOR RED ROCK UTILITIES, LLC**  
(Template 063004)

ADEQ Public Water System No.: Pending

Red Rock Utilities, LLC ("Company"), is authorized to curtail water service to all customers within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the Company.

The Company shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of the tariff or no later than sixty (60) days after the effective date of the tariff.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

**Stage 1 Exists When:**

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

**Stage 2 Exists When:**

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

APPROVED FOR FILING

DECISION #: 67409

REVISED: June 30, 2004

## TARIFF SCHEDULE

ORIGINAL

Utility: Red Rock Utilities, LLC  
Docket No.: WS-04245A-04-0184  
Phone No.: (520) 577-0200

Tariff Sheet No.: 2 of 4  
Decision No.: 67409  
Effective: December 27, 2004

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

**Stage 3 Exists When:**

- a. Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, Company shall request the customers to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Beginning with Stage 3, Company shall post at least 10 signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than Stage 3 until a permanent solution has been implemented.

APPROVED FOR FILING

DECISION #: 67409

REVISED: June 30, 2004

## TARIFF SCHEDULE

ORIGINAL

Utility: Red Rock Utilities, LLC  
Docket No.: WS-04245A-04-0184  
Phone No.: (520) 577-0200

Tariff Sheet No.: 3 of 4  
Decision No.: 67409  
Effective: December 27, 2004

**Stage 4 Exists When:**

- a. Company's total water storage or well production has been less than 25 percent of capacity for at least 12 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 4, Company shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- ♦ Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- ♦ Washing of any vehicle is prohibited
- ♦ The use of water for dust control or any outdoor cleaning uses is prohibited
- ♦ The use of drip or misting systems of any kind is prohibited
- ♦ The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- ♦ The use of construction water is prohibited
- ♦ Restaurant patrons shall be served water only upon request
- ♦ Any other water intensive activity is prohibited

The Company's operation of its standpipe service is prohibited. The addition of new service lines and meter installations is prohibited.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Company shall post at least 10 signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 4.

APPROVED FOR FILING

DECISION #: 67409

REVISED: June 30, 2004

## TARIFF SCHEDULE

ORIGINAL

Utility: Red Rock Utilities, LLC  
Docket No.: WS-04245A-04-0184  
Phone No.: (520) 577-0200

Tariff Sheet No.: 4 of 4  
Decision No.: 67409  
Effective: December 27, 2004

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply within two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply or must otherwise provide emergency drinking water for its customers until a permanent solution has been implemented.

APPROVED FOR FILING  
DECISION #: 67409



# Appendix “17”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_



DOUGLAS A. DUCEY  
Governor

THOMAS BUSCHATZKE  
Director

**ARIZONA DEPARTMENT of WATER RESOURCES**

1110 West Washington Street, Suite 310  
Phoenix, Arizona 85007  
602.771.8500

[azwater.gov](http://azwater.gov)

**ANALYSIS OF ASSURED WATER SUPPLY**

September 15, 2016

File Number: 28-700896.0000  
Development: Andrada 365 Development  
Location: Township 17 South, Range 15 East, Section 6  
Pima County, Arizona; Tucson Active Management Area  
Land Owner: Andrada Wilmot 180, LLC, an Arizona limited liability company

The Arizona Department of Water Resources has evaluated the Analysis of Assured Water Supply application for Andrada 365 Development pursuant to A.A.C. R12-15-703. The proposed development includes 800 single-family residential lots. Conclusions of the review are indicated below based on the assured water supply criteria referenced in A.R.S. § 45-576 and A.A.C. R12-15-701 *et seq.*

- **Physical, Continuous, and Legal Availability of Water for 100 Years**

On the basis of the study submitted with the application and the Department's review, the Department has determined that 276.88 acre-feet per year of groundwater will be physically and continuously available, which is equivalent to the annual estimated water demand for the development of 276.88 acre-feet per year. The development is not located within the current service area of a water provider. Applications for Certificates of Assured Water Supply that follow the Analysis of Assured Water Supply will need to provide a detailed plan of how water service will be established. This may include the use of Type 1 or Type 2 groundwater rights or the recovery of long term storage credits to create a new or satellite service area, or extension of existing service area lines to include the proposed development. A signed Notice of Intent to Serve form was not submitted with the application. Individual Notices of Intent to Serve from the municipal provider will be required for each application for a Certificate of Assured Water Supply.

- **Adequate Water Quality**

This requirement will be evaluated according to the criteria in A.A.C. R12-15-719 at the time an application for a Certificate of Assured Water Supply is filed. Prior to preparing an application for a Certificate of Assured Water Supply for an individual subdivision plat, the Office of Assured and Adequate Water Supply may be contacted for further guidance.

- **Consistency with Management Plan for the Tucson Active Management Area**

The estimated annual water demand for the development is consistent with the Third Management Plan for the Tucson AMA. All plumbing fixtures will comply with the statewide Low Flow Plumbing Code.

- **Consistency with Management Goal of the Tucson Active Management Area**

This requirement will be evaluated according to the criteria in effect at the time an application for a Certificate of Assured Water Supply is filed. Prior to preparing an application for a Certificate of Assured Water Supply for an individual subdivision plat, the Office of Assured and Adequate Water Supply may be contacted for further guidance.

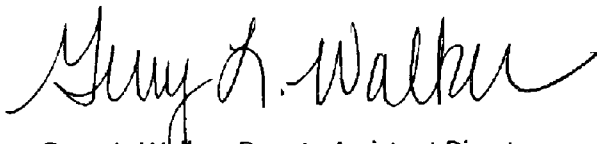
- **Financial Capability of the Owner to Construct the Necessary Distribution System**

This requirement will be evaluated according to the criteria in A.A.C. R12-15-720 at the time an application for a Certificate of Assured Water Supply is filed. Prior to preparing an application for a Certificate of Assured Water Supply for an individual subdivision plat, the Office of Assured and Adequate Water Supply may be contacted for further guidance.

The term of this Analysis of Assured Water Supply is ten years from the date of this letter and may be renewed upon request, subject to approval by the Department. See A.A.C. R12-15-703. Throughout the term of this determination, the projected demand of this development will be considered when reviewing other requests for assured water supply in the area.

**Prior to obtaining plat approval by the local platting authority and approval of the public report by the Department of Real Estate, a Certificate of Assured Water Supply must be obtained for each subdivision plat. The findings of this Analysis of Assured Water Supply may be used to demonstrate that certain requirements for a Certificate have been met. This determination may be invalidated if the development plan or other conditions change prior to filing for a Certificate of Assured Water Supply. If the requirements for an Assured Water Supply change before an application is submitted, then the application will be subject to the requirements in place at the time of the application. Changes in the number or locations of wells may impact applicability of this determination to future applications for determinations of assured water supply.**

Pursuant to A.R.S. § 41-1092.03, the Department is notifying you that the Director's determination and decision to issue this Analysis of Assured Water Supply is an appealable agency action. You are entitled to appeal this action. If you wish to appeal this action, you must file a written appeal within thirty (30) days from receipt of this letter. I am providing you with a summary of the appeal process and an appeal form, should you elect to pursue this option. Questions may be directed to the Office of Assured and Adequate Water Supply at (602) 771-8599.



Gerry L. Walker, Deputy Assistant Director  
Water Planning and Permitting Division

GLW/kcl

Cc: via electronic mail:

Linda Taunt, Arizona Department of Environmental Quality  
Heide Kocsis, Arizona State Land Department

JANICE K. BREWER  
Governor



SANDY FABRITZ-WHITNEY  
Director

ARIZONA DEPARTMENT of WATER RESOURCES  
3550 North Central Avenue, Second Floor  
Phoenix, Arizona 85012-2105  
602.771.8500

azwater.gov

**ANALYSIS OF ASSURED WATER SUPPLY**  
May 22, 2013

**File Number:** 28-700748.0000  
**Development:** Hook M Ranch Development  
**Location:** Township 17 South, Range 15 East, Sections 3, 4, 5  
Pima County, Arizona; Tucson Active Management Area  
**Land Owner:** Andrada Investors, LLC, an Arizona limited liability company

The Arizona Department of Water Resources has evaluated the Analysis of Assured Water Supply application for Hook M Ranch Development pursuant to A.A.C. R12-15-703. The proposed development includes 1800 single-family residential lots and 308.9 non-residential acres containing common areas, right of way, commercial, one elementary school, one Middle/High School and other non-residential acres. Conclusions of the review are indicated below based on the assured water supply criteria referenced in A.R.S. § 45-576 and A.A.C. R12-15-701 *et seq.*

- **Physical, Continuous, and Legal Availability of Water for 100 Years**  
On the basis of the study submitted with the application and the Department's review, the Department has determined that 864.68 acre-feet per year of groundwater will be physically and continuously available, which is equivalent to the annual estimated water demand for the development of 864.68 acre-feet per year. The development is located within the current service area of a water provider. Applications for Certificates of Assured Water Supply that follow the Analysis of Assured Water Supply will need to provide a detailed plan of how water service will be established. This may include the use of Type 1 or Type 2 groundwater rights or the recovery of long term storage credits to create a new or satellite service area, or extension of existing service area lines to include the proposed development. A signed Notice of Intent to Serve form was not submitted with the application. Individual Notices of Intent to Serve from the municipal provider will be required for each application for a Certificate of Assured Water Supply.
- **Adequate Water Quality**  
This requirement will be evaluated according to the criteria in A.A.C. R12-15-719 at the time an application for a Certificate of Assured Water Supply is filed. Prior to preparing an application for a Certificate of Assured Water Supply for an individual subdivision plat, the Office of Assured and Adequate Water Supply may be contacted for further guidance.
- **Consistency with Management Plan for the Tucson Active Management Area**  
The estimated annual water demand for the development is consistent with the Third Management Plan for the Tucson AMA. All plumbing fixtures will comply with the statewide Low Flow Plumbing Code.

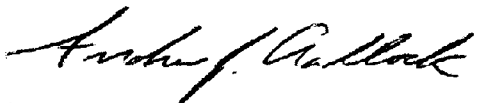
- **Consistency with Management Goal of the Tucson Active Management Area**  
This requirement will be evaluated according to the criteria in effect at the time an application for a Certificate of Assured Water Supply is filed. Prior to preparing an application for a Certificate of Assured Water Supply for an individual subdivision plat, the Office of Assured and Adequate Water Supply may be contacted for further guidance.
- **Financial Capability of the Owner to Construct the Necessary Distribution System**  
This requirement will be evaluated according to the criteria in A.A.C. R12-15-720 at the time an application for a Certificate of Assured Water Supply is filed. Prior to preparing an application for a Certificate of Assured Water Supply for an individual subdivision plat, the Office of Assured and Adequate Water Supply may be contacted for further guidance.

The term of this Analysis of Assured Water Supply is ten years from the date of this letter and may be renewed upon request, subject to approval by the Department. See A.A.C. R12-15-703. Throughout the term of this determination, the projected demand of this development will be considered when reviewing other requests for assured water supply in the area.

**Prior to obtaining plat approval by the local platting authority and approval of the public report by the Department of Real Estate, a Certificate of Assured Water Supply must be obtained for each subdivision plat. The findings of this Analysis of Assured Water Supply may be used to demonstrate that certain requirements for a Certificate have been met. This determination may be invalidated if the development plan or other conditions change prior to filing for a Certificate of Assured Water Supply. If the requirements for an Assured Water Supply change before an application is submitted, then the application will be subject to the requirements in place at the time of the application. Changes in the number or locations of wells may impact applicability of this determination to future applications for determinations of assured water supply.**

Pursuant to A.R.S. § 41-1092.03, the Department is notifying you that the Director's determination and decision to issue this Analysis of Assured Water Supply is an appealable agency action. You are entitled to appeal this action. If you wish to appeal this action, you must file a written appeal within thirty (30) days from receipt of this letter. I am providing you with a summary of the appeal process and an appeal form, should you elect to pursue this option.

Questions may be directed to the Office of Assured and Adequate Water Supply at (602) 771-8599.



Andrew J. Craddock, Manager  
Recharge, Assured & Adequate Water Supply Section

AJC/jmk

Cc: via electronic mail:  
Cynthia Stefanovic, Az. State Land Department  
Buck Schmidt, Basin Wells Associates, PLLC

# Appendix “18”

to

Red Rock Utilities, LLC  
Application for an Extension Certificate of  
Convenience and Necessity (“Water”)

for

Hook M. Ranch / Andrada Areas  
In Pima County, Arizona

Docket: WS-04245A-16-\_\_\_\_\_

**Red Rock Utilities, LLC**  
**Andrada Wilmot 180 CC&N**

**Number of customers, by class, to be served:**

**Residential:**

First Year	<u>110</u>	Second Year	<u>120</u>	Third Year	<u>135</u>	Fourth Year	<u>145</u>	Fifth Year	<u>150</u>
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**Commercial/School:**

First Year	<u>0</u>	Second Year	<u>1</u>	Third Year	<u>0</u>	Fourth Year	<u>0</u>	Fifth Year	<u>0</u>
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**Industrial:**

First Year	<u>1</u>	Second Year	<u>0</u>	Third Year	<u>0</u>	Fourth Year	<u>0</u>	Fifth Year	<u>1</u>
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**Irrigation:**

First Year	<u>1</u>	Second Year	<u>1</u>	Third Year	<u>1</u>	Fourth Year	<u>1</u>	Fifth Year	<u>1</u>
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**Projected annual water consumption, in gallons, for each of the customer classes:**

**Residential:**

First Year	10,117,800
Second Year	21,155,400
Third Year	33,572,700
Fourth Year	46,909,800
Fifth Year	60,706,800

**Industrial:**

First Year	720,000
Second Year	720,000
Third Year	720,000
Fourth Year	720,000
Fifth Year	1,440,000

**Commercial/School:**

First Year	-
Second Year	4,562,500
Third Year	4,562,500
Fourth Year	4,562,500
Fifth Year	4,562,500

**Irrigation:**

First Year	1,498,924
Second Year	2,997,848
Third Year	4,496,771
Fourth Year	5,995,695
Fifth Year	7,494,619

**Red Rock Utilities, LLC**  
**Andrada Wilmot 180 CC&N**

**Total estimated annual operating revenue:**

**Residential:**

First Year	62,696
Second Year	128,340
Third Year	202,229
Fourth Year	281,466
Fifth Year	363,301

**Commercial/School:**

First Year	-
Second Year	21,161
Third Year	21,161
Fourth Year	21,161
Fifth Year	21,161

**Industrial:**

First Year	18,840
Second Year	18,840
Third Year	18,840
Fourth Year	18,840
Fifth Year	37,680

**Irrigation:**

First Year	7,507
Second Year	15,014
Third Year	22,521
Fourth Year	30,028
Fifth Year	37,535

**Total estimated annual operating expenses:**

**Residential:**

First Year	195,370.49
Second Year	199,855.96
Third Year	236,265.58
Fourth Year	276,766.91
Fifth Year	313,219.54

**Commercial/School:**

First Year	-
Second Year	43,102.13
Third Year	32,108.28
Fourth Year	26,918.66
Fifth Year	23,540.43

**Industrial:**

First Year	13,902.90
Second Year	6,801.87
Third Year	5,066.95
Fourth Year	4,247.99
Fifth Year	7,429.75

**Irrigation:**

First Year	28,943.59
Second Year	28,320.79
Third Year	31,645.72
Fourth Year	35,374.49
Fifth Year	38,668.83